## **PROOF**

## **STATE OF IOWA**

# **House Journal**

THURSDAY, MAY 1, 2003

Printed daily by the State of Iowa during the sessions of the General Assembly. An official corrected copy is available for reference in the office of the Chief Clerk. (The official bound copy will be available after a reasonable time upon adjournment.)

## JOURNAL OF THE HOUSE

One Hundred Ninth Calendar Day - Seventy-eighth Session Day

Hall of the House of Representatives Des Moines, Iowa, Thursday, May 1, 2003

The House met pursuant to adjournment at 8:49 a.m., Speaker Rants in the chair.

Prayer was offered by Don Bramschreiber, lay pastor of the First Baptist Church of Ottumwa. He was the guest of Representative Gaskill of Wapello County.

The Journal of Wednesday, April 30, 2003 was approved.

#### PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Speaker Rants.

#### LEAVE OF ABSENCE

Leave of absence was granted as follows:

Baudler of Adair, until his arrival, on request of Speaker Rants.

#### SPECIAL PRESENTATION TO HOUSE PAGES

Speaker Rants invited the House Pages to the Speaker's station for a special presentation and thanked them for their service to the House of Representatives.

Certificates of excellence for serving with honor and distinction as a House Page during the First Regular Session of the Eightieth General Assembly were presented to the following Pages by Speaker Rants, Majority Leader Chuck Gipp of Winneshiek and Minority Leader Richard Myers of Johnson:

Dean E. Calkins, Jr. Megan Cross Taryn Dozark Adam Frei Amelia Gauger Brent Geels Corey Goerdt Benjamin J. Paladino Lizzie Phillips Jessica Rundlett Kathleen Schaben Timothy Schutte Nick Sievert Elizabeth Skilton Laura Harson Sadie Stellish
Megan Horan Wade Summers
Cynthia McAfee Noah Udelhoven
April Myers Rachel Van Fossen
Klaire O'Rourke Megan Warner
Natalie Owens

Gipp of Winneshiek asked and received unanimous consent for the immediate consideration of House File 700.

# CONSIDERATION OF BILLS Appropriations Calendar

House File 700, a bill for an act relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, providing for related matters, making penalties applicable, and providing effective dates, was taken up for consideration.

The House stood at ease at 9:11 a.m., until the fall of the gavel.

The House resumed session at 11:44 a.m., Speaker Rants in the chair.

Carroll of Poweshiek offered amendment  $\underline{H-1573}$  filed by him as follows:

#### H-1573

- 1 Amend <u>House File 700</u> as follows:
- 2 1. Page 1, by inserting after line 2, the
- 3 following:
- 4 "Section 1. Section 426B.5, subsection 2,
- 5 paragraph d, subparagraphs (1) and (6), Code 2003, are
- 6 amended to read as follows:
- 7 (1) A county must apply to the board for
- 8 assistance from the risk pool on or before April 1
- 9 <u>January 25</u> to cover an unanticipated net expenditure
- 10 amount in excess of the county's current fiscal year
- 11 budgeted net expenditure amount for the county's
- 12 services fund. The risk pool board shall make its
- 13 final decisions on or before February 25 regarding
- 14 acceptance or rejection of the applications for
- 15 assistance and the total amount accepted shall be
- 16 considered obligated. For purposes of applying for
- 17 risk pool assistance and for repaying unused risk pool
- 18 assistance, the current fiscal year budgeted net

10 subsection 1:

19 expenditure amount shall be deemed to be the higher of 20 either the budgeted net expenditure amount in the 21 management plan approved under section 331.439 for the 22 fiscal year in which the application is made or the 23 prior fiscal year's net expenditure amount. (6) The total amount of risk pool assistance shall 25 be limited to the amount available in the risk pool 26 for a fiscal year. If the total amount of eligible 27 assistance exceeds the amount available in the risk pool the amount of assistance paid shall be prorated 29 among the counties eligible for assistance. Moneys 30 remaining unexpended or unobligated in the risk pool 31 at the close of a fiscal year shall remain available 32 for distribution in the succeeding fiscal year 33 following the risk pool board's decisions made 34 pursuant to subparagraph (1) shall be distributed to 35 the counties eligible to receive funding from the 36 allowed growth factor adjustment appropriation for the 37 <u>fiscal year using the distribution methodology</u> 38 applicable to that appropriation.' 2. Page 1, by inserting after line 25 the 40 following: "Sec.\_\_\_. 2002 Iowa Acts, chapter 1175, section 41 42 104, subsections 2, 4 and 5, as amended by 2003 Iowa 43 Acts, House File 667, section 41, are amended to read 44 as follows: 2. The following formula amounts shall be utilized 46 only to calculate preliminary distribution amounts for 47 fiscal year 2003-2004 under this section by applying 48 the indicated formula provisions to the formula 49 amounts and producing a preliminary distribution total 50 for each county: Page 2 a. For calculation of an allowed growth factor adjustment amount for each county in accordance with the formula in section 331.438, subsection 2, paragraph "b": .....\$ 12,000,000 5 b. For calculation of a distribution amount for 7 eligible counties from the per capita expenditure target pool created in the property tax relief fund in 8 accordance with the requirements in section 426B.5,

 11
 \$ 12,492,712

 12
 14,492,000

c. For calculation of a distribution amount for
 counties from the mental health and developmental
 disabilities (MH/DD) community services fund in
 accordance with the formula provided in the

17 appropriation made for the MH/DD community services

18 fund for the fiscal year beginning July 1, 2003: .....\$ 17,727,890 20 4. After applying the applicable statutory 21 distribution formulas to the amounts indicated in subsection 2 for purposes to produce preliminary 23 distribution totals, the department of human services 24 shall apply a withholding factor to adjust an eligible 25 individual county's preliminary distribution total. 26 An ending balance percentage for each county shall be determined by expressing the county's ending balance 28 on a modified accrual basis under generally accepted 29 accounting principles for the fiscal year beginning 30 July 1, 2002, in the county's mental health, mental 31 retardation, and developmental disabilities services 32 fund created under section 331.424A, as a percentage of the county's gross expenditures from that fund for 34 that fiscal year. The withholding factor for a county 35 shall be the following applicable percent: a. For an ending balance percentage of less than 10 percent, a withholding factor of 0 percent. In 37 addition to the county's adjusted distribution total, 39 a county that is subject to this paragraph "a" shall 40 receive an inflation adjustment equal to 2.6 percent 41 of the gross expenditures reported for the county's 42 services fund for that fiscal year. b. For an ending balance percentage of 10 through 44 24 percent, a withholding factor of 25 percent. c. For an ending balance percentage of 25 through 46 34 percent, a withholding factor of 60 percent. d. For an ending balance percentage of 35 through 48 44 percent, a withholding factor of 85 percent. e. d. For an ending balance percentage of 45 35 percent or more, a withholding factor of 100 percent.

## Page 3

1 5. The total withholding amounts applied pursuant to subsection 4 shall be equal to a withholding target 3 amount of \$7,419,074 and the appropriation enacted by the Eightieth General Assembly, 2003 Session, for the 4 MH/DD community services fund shall be reduced by the 6 amount necessary to attain the withholding target amount \$9,418,362. If the department of human 8 services determines that the amount to be withheld in accordance with subsection 4 is not equal to the 10 target withholding amount, the department shall adjust 11 the withholding factors listed in subsection 4 as 12 necessary to achieve the withholding target amount. 13 However, in making such adjustments to the withholding 14 factors, the department shall strive to minimize 15 changes to the withholding factors for those ending 16 balance percentage ranges that are lower than others

- 17 and shall not adjust the zero withholding factor or
- 18 the inflation adjustment percentage specified in
- 19 subsection 4, paragraph "a".'

## **QUORUM CALL**

A non-record roll call was requested to determine that a quorum was present. The vote revealed seventy-five members present, twenty-five absent.

On motion by Carroll of Poweshiek, amendment  $\underline{\text{H-}1573}$  was adopted.

Murphy of Dubuque offered the following amendment  $\underline{H-1586}$  filed by Fallon of Polk from the floor and moved its adoption:

## H-1586

- 1 Amend <u>House File 700</u> as follows:
- 2 1. Page 2, by striking lines 23 through 30.

Roll call was requested by Fallon of Polk and Myers of Johnson.

Rule 75 was invoked.

On the question "Shall amendment  $\underline{H-1586}$  be adopted?" ( $\underline{H.F.}$  700)

The ayes were, 46:

Bell	Berry	Cohoon	Connors
Dandekar	Davitt	Fallon	Foege
Ford	Frevert	Gaskill	Gipp
Greimann	Heddens	Hogg	Hunter
Huser	Jochum	Kuhn	Lensing
Lykam	Mascher	McCarthy	Mertz
Miller	Murphy	Myers	Oldson
Olson, D.	Osterhaus	Petersen	Quirk
Reasoner	Shoultz	Smith	Stevens
Struyk	Swaim	Taylor, D.	Taylor, T.
Thomas	Wendt	Whitaker	Whitead
Winckler	Wise		

The nays were, 49:

Alons	Arnold	Boal	Boddicker
Boggess	Carroll	Chambers	De Boef
Dennis	Dix	Dolecheck	Drake
Eichhorn	Elgin	Freeman	Granzow
Hahn	Hanson	Heaton	Hoffman
Horbach	Huseman	Hutter	Jacobs
Jenkins	Jones	Klemme	Kramer
Kurtenbach	Lalk	Lukan	Maddox
Manternach	Olson, S.	Paulsen	Raecker
Rasmussen	Rayhons	Roberts	Sands
Schickel	Tjepkes	Tymeson	Upmeyer
Van Engelenhoven	Van Fossen, J.R.	Watts	Wilderdyke
M C 1			

Mr. Speaker

Rants

Absent or not voting, 5:

Baudler Bukta Greiner Hansen

Van Fossen, J.K.

Amendment H-1586 lost.

Speaker pro tempore Carroll in the chair at 12:30 p.m.

Wise of Lee offered the following amendment  $\underline{H-1577}$  filed by Wise, et al., and moved its adoption:

#### H-1577

- 1 Amend <u>House File 700</u> as follows:
- 2 1. Page 3, line 1, by striking the word "fifty-
- 3 six" and inserting the following: "sixty-six".
- 4  $\overline{2}$ . Page 7, by inserting after line 3 the
- 5 following:
- 6 "Sec.\_\_. CASH RESERVE. There is appropriated
- 7 from the cash reserve fund to the general fund of the
- 8 state for the fiscal year beginning July 1, 2003, and
- 9 ending June 30, 2004, the sum of \$10,000,000."
- 10 3. Page 34, by striking lines 6 through 28 and
- 11 inserting the following: "are amended to read as
- 12 follows:
- 13 6. For the fiscal year beginning July 1, 2001
- 14 <u>2003</u>, and ending June 30, <del>2002</del> <u>2004</u>, to the department
- 15 of education from phase III moneys, the amount of
- 16 seventy-five thousand dollars to administer the
- 17 ambassador to education position in accordance with
- 18 section 256.45.
- 19 10. For the fiscal year beginning July 1, 2001

- 20  $\underline{2003}$ , and ending June 30,  $\underline{2002}$   $\underline{2004}$ , to the department
- 21 of education from phase III moneys the amount of
- 22 forty-seven thousand dollars for the Iowa mathematics
- 23 and science coalition."

Roll call was requested by Wise of Lee and T. Taylor of Linn.

Rule 75 was invoked.

On the question "Shall amendment  $\underline{\text{H-1577}}$  be adopted?" ( $\underline{\text{H.F.}}$  700)

The ayes were, 46:

Bell	Berry	Cohoon
Dandekar	Davitt	Fallon
Ford	Frevert	Gaskill
Heddens	Hogg	Hunter
Jochum	Kuhn	Lensing
Mascher	McCarthy	Mertz
Murphy	Myers	Oldson
Osterhaus	Petersen	Quirk
Shoultz	Smith	Stevens
Swaim	Taylor, D.	Taylor, T.
Wendt	Whitaker	Whitead
Wise		
	Dandekar Ford Heddens Jochum Mascher Murphy Osterhaus Shoultz Swaim Wendt	Dandekar Davitt Ford Frevert Heddens Hogg Jochum Kuhn Mascher McCarthy Murphy Myers Osterhaus Petersen Shoultz Smith Swaim Taylor, D. Wendt Whitaker

The nays were, 52:

Alons	Boal	Boddicker	Boggess
Carroll	Chambers	De Boef	Dennis
Dix	Dolecheck	Drake	Eichhorn
Elgin	Freeman	Gipp	Granzow
Greiner	Hahn	Hansen	Hanson
Heaton	Hoffman	Horbach	Huseman
Hutter	Jacobs	Jenkins	Jones
Klemme	Kramer	Kurtenbach	Lalk
Lukan	Maddox	Manternach	Olson, S.
Paulsen	Raecker	Rasmussen	Rayhons
Roberts	Sands	Schickel	Tjepkes
Tymeson	Upmeyer	Van Engelenhoven	Van Fossen, J.K.
Van Fossen, J.R.	Watts	Wilderdyke	Mr. Speaker
			Rants

Absent or not voting, 2:

Baudler Bukta

Amendment H-1577 lost.

Dix of Butler offered amendment  $\underline{H-1582}$  filed by him from the floor as follows:

#### H-1582

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Amend House File 700 as follows:
2
    1. Page 5, by inserting after line 10 the
   following:
3
    "Sec.___. REDUCTION IN CREDITS NOT APPLICABLE.
   The provision in section 25B.7 relating to the
   proration of the property tax credits does not apply
    with respect to the amount of state reimbursement for
   property tax credits under this division."
8
    2. Page 5, line 22, by inserting after the figure
10 "8.62," the following: "except for the balances of
11 charter agencies, as defined in section 7J.1, if
12 enacted by 2003 Iowa Acts, Senate File 453,".
13
    3. Page 6, by inserting after line 11 the
14 following:
    "Sec.___. REBUILD IOWA INFRASTRUCTURE FUND.
15
16 Notwithstanding section 8.57, subsection 5, there is
17 appropriated from the rebuild Iowa infrastructure fund
18 created in section 8.57, subsection 5, to the general
19 fund of the state during the fiscal year beginning
20 July 1, 2003, and ending June 30, 2004, the following
21 amount:
22
    Sec.___. IOWA LAW ENFORCEMENT ACADEMY. 2003 Iowa
23
24 Acts, Senate File 439, section 10, subsection 1,
25 unnumbered paragraph 2, if enacted, is amended to read
26 as follows:
27
   For salaries, support, maintenance, miscellaneous
28 purposes, including jailer training and technical
29 assistance, and for not more than the following full-
30 time equivalent positions:
31 ......$ <del>1,002,629</del>
32
                                                  1,047,629
33 ..... FTEs
34
   Sec._. MILITARY PAY DIFFERENTIAL. There is
35
   appropriated from the cash reserve fund to the
36 department of revenue and finance or its successor
37 agency for the period beginning March 19, 2003, and
38 ending June 30, 2003, the following amount, or so much
39 thereof as is necessary, for the purposes designated:
   For a military pay differential program and health
41 insurance retention program for individuals activated
42 for the armed services of the United States, for
43 employees on the central payroll system:
   ......$ 1,810,000
   Of the funds appropriated in this section, up to
45
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42

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46 $10,000 is transferred to the Iowa department of
47 public health for allocation to community mental
48 health centers to provide counseling services to
   persons who are members of the national guard and
50 reservists activated but as yet not sent to combat
Page 2
   zones and to the persons' family members. The
    sessions shall be provided on a first come, first
3
    served basis and shall be limited to three visits per
4
    The department or agency receiving funds under this
6
    section shall report monthly to the fiscal committee
    of the legislative council on the use of the funds.
7
8
    Notwithstanding section 8.33, unencumbered or
   unobligated funds remaining on June 30, 2003, from the
10
   appropriation made in this section shall not revert
   but shall remain available to be used for the purposes
12 designated in the following fiscal year.
    Sec.___. ASSISTED LIVING PROGRAMS.
14 Notwithstanding section 231C.6, any fees remaining on
15 June 30, 2003, in the assisted living program fund
16 created pursuant to section 231C.6 are appropriated to
17 the department of inspections and appeals for the
18 fiscal year beginning July 1, 2003, and ending June
19 30, 2004, to carry out the purposes of chapter 231C."
20
    4. Page 7, by inserting after line 3 the
21 following:
22
     "Sec.___. COUNTY HOSPITALS. There is
23 appropriated from the general fund of the state to the
   department of human services for the fiscal year
   beginning July 1, 2003, and ending June 30, 2004, the
   following amount, or so much thereof as is necessary,
   for the purpose designated:
    For support of operational expenses of county
28
29 hospitals in counties having a population of two
30 hundred twenty-five thousand or more:
31
    .....$ 312,000
   Sec.___. WORKFORCE DEVELOPMENT. There is
32
33 appropriated from the general fund of the state to the
   Iowa department of workforce development for the
   fiscal year beginning July 1, 2003, and ending June
   30, 2004, the following amount, or so much thereof as
   is necessary, for the purpose designated:
37
    For salaries and support and for the following
39 full-time equivalent positions.
                                                         250.000
40 ......$
```

......FTEs

The appropriation in this section shall be used for 43 four OSHA inspectors and one workers' compensation 44 compliance officer. The appropriation in this section

5.00

- 45 is contingent upon the enactment of 2003 Iowa Acts, 46 Senate File 344, by the Eightieth General Assembly, 47 2003 Regular Session." 5. Page 9, by inserting after line 19 the 48 49 following: "Sec.\_\_\_. Section 256D.4, subsection 2, 50 Page 3 unnumbered paragraph 1, Code 2003, is amended to read as follows: For each fiscal year in the fiscal period beginning July 1, 2001, and ending June 30, 2003, moneys Moneys 5 appropriated pursuant to section 256D.5, subsection 3, 6 shall be allocated to school districts as follows: Sec.\_\_\_. Section 256D.5, subsection 3, Code 2003, is amended to read as follows: 8 3. For each fiscal year of the fiscal period 10 beginning July 1, 2001, and ending June 30, 2003 2004, 11 the sum of thirty million dollars." 12 6. Page 10, by inserting after line 25 the 13 following: "Sec.\_\_\_. Section 294A.25, subsection 10, Code 14 15 2003, is amended to read as follows: 10. For the each fiscal year beginning July 1, 16 17 2001, and ending June 30, 2002, to the department of 18 education from phase III moneys the amount of forty-19 seven thousand dollars for the Iowa mathematics and 20 science coalition." 21 7. Page 11, by inserting after line 5 the 22 following: "Sec.\_\_\_. 2002 Iowa Acts, chapter 1173, section 24 18, is amended to read as follows: SEC. 18. POOLED TECHNOLOGY FUNDING - PRIOR 26 ALLOCATIONS - NONREVERSION. Notwithstanding section 27 8.33, moneys appropriated and allocated in 2001 Iowa 28 Acts, chapter 189, section 5, subsection 1, which 29 remain unobligated or unexpended at the close of the 30 fiscal year for which they were appropriated shall not 31 revert, but shall remain available for expenditure for 32 the purposes for which they were appropriated and 33 allocated, for the fiscal year period beginning July 34 1, 2002, and ending June 30, 2003 2004." 35 8. Page 11, by inserting after line 32 the 36 following: "Sec.\_\_\_. 2003 Iowa Acts, <u>House File 655</u>, section 38 24, if enacted, is amended to read as follows: SEC. 24. READY TO WORK PROGRAM COORDINATOR. There
- 40 is appropriated from the surplus funds in the long-41 term disability reserve fund and the workers'
- 42 compensation trust fund to the department of personnel
- 43 for the fiscal year beginning July 1, 2003, and ending

```
44 June 30, 2004, the following amount, or so much
45 thereof as is necessary, to be used for the purposes
46 designated:
    For the salary, support, and miscellaneous expenses
47
48 for the ready to work program and coordinator:
                                                           89,416
    .....$
    The moneys appropriated pursuant to this section
Page 4
   shall be taken in equal proportions from the long-term
   disability reserve fund and the workers' compensation
   trust fund.
4
    Sec.___. 2003 Iowa Acts, House File 655, section
    34. if enacted, is amended to read as follows:
5
     SEC. 34. READY TO WORK PROGRAM COORDINATOR. There
   is appropriated from the surplus funds in the long-
   term disability reserve fund and the workers'
   compensation trust fund to the department of
10 administrative services for the fiscal year beginning
   July 1, 2003, and ending June 30, 2004, the following
12
   amount, or so much thereof as is necessary, to be used
13 for the purposes designated:
    For the salary, support, and miscellaneous expenses
15 for the ready to work program and coordinator:
16
    ......$
                                                           89.416
    The moneys appropriated pursuant to this section
17
18 shall be taken in equal proportions from the long-term
   disability reserve fund and the workers' compensation
19
20 trust fund.
    Sec. ___. CONTINGENT CASH RESERVE APPROPRIATION.
21
     1. There is appropriated from the cash reserve
23 fund to the general fund of the state for the fiscal
24 year beginning July 1, 2002, and ending June 30, 2003,
25 for the purposes of reducing or preventing any
26 overdraft on or deficit in the general fund of the
27
   state, an amount not to exceed $50,000,000.
    2. The appropriation made in subsection 1 is
29 contingent upon all of the following having occurred:
    a. The revenue estimating conference estimate of
31 general fund receipts made during the last quarter of
32 the fiscal year was or the actual fiscal year receipts
33 and accruals were at least one-half of one percent
34 less than the comparable estimate made during the
35 third quarter of the fiscal year.
    b. The governor has implemented the uniform
37 reductions in appropriations required in section 8.31
38 as a result of paragraph "a" and such reduction was
39 insufficient to prevent an overdraft on or deficit in
40 the general fund of the state or the governor did not
41 implement uniform reductions in appropriations because
42 of the lateness of the estimated or actual receipts
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- 43 and accruals under paragraph "a".
- 44 c. The balance of the general fund of the state at
- 45 the end of the fiscal year prior to the appropriation
- 46 made in subsection 1 was negative.
- 47 d. The governor has issued an official
- 48 proclamation and has notified the cochairpersons of
- 49 the fiscal committee of the legislative council and
- 50 the legislative services agency that the contingencies

- 1 in paragraphs "a" through "c" have occurred and the
- 2 reasons why the uniform reductions specified in
- 3 paragraph "b" were insufficient or were not
- 4 implemented to prevent an overdraft on or deficit in
- 5 the general fund of the state.
- 6 3. If an appropriation is made pursuant to
- $7\quad subsection\ 1\ for\ a\ fiscal\ year,\ there\ is\ appropriated$
- 8 from the general fund of the state to the cash reserve
- 9 fund for the following fiscal year, the amount of the
- 10 appropriation made pursuant to subsection 1."
- 11 9. Page 12, by inserting after line 2 the
- 12 following:
- 13 "\_\_\_. The section amending 2002 Iowa Acts, chapter
- 14 1173, section 18, relating to the nonreversion of
- 15 pooled technology funding.
- 16 \_\_\_. The section appropriating moneys from the
- 17 cash reserve fund for the military pay differential
- 18 program. This section applies retroactively to March
- 19 19, 2003.
- 20 \_\_\_\_. The section appropriating moneys from the 21 assisted living program fund.
- 22 \_\_\_. The section making the contingent
- 23 appropriation from the cash reserve fund."
- 24 10. Page 13, by inserting after line 9 the
- 25 following:
- 26 "\_\_\_. The collective bargaining agreement
- 27 negotiated pursuant to chapter 20 for employees in the
- 28 patient care bargaining unit.
- 29 \_\_\_. The collective bargaining agreement
- 30 negotiated pursuant to chapter 20 for employees in the
- 31 science bargaining unit."
- 32 11. Page 23, by inserting after line 34 the
- 33 following:
- 34 "Sec.\_\_\_. Section 7J.1, subsection 1, if enacted
- 35 by 2003 Iowa Acts, Senate File 453, is amended to read
- 36 as follows:
- 37 7J.1 CHARTER AGENCIES.
- 38 1. DESIGNATION OF CHARTER AGENCIES PURPOSE.
- 39 The governor may, by executive order, designate up to
- 40 five state departments or agencies, as described in
- 41 section 7E.5, other than the department of

- 42 administrative services, if the department is
- 43 established in law, or the department of management,
- 44 as a charter agency by July 1, 2003. The designation
- 45 of a charter agency shall be for a period of five
- 46 years which shall terminate as of June 30, 2008. The
- 47 purpose of designating a charter agency is to grant
- 48 the agency additional authority as provided by this
- 49 chapter while reducing the total appropriations to the
- 50 agency.

- 1 Sec.\_\_\_. Section 7J.1, subsection 3, paragraph a,
- 2 if enacted by 2003 Iowa Acts, Senate File 453, is
- 3 amended to read as follows:
- 4 a. It is the intent of the general assembly that
- 5 state general fund operating appropriations to a
- 6 charter agency for any the fiscal year beginning July
- 7 <u>1, 2003, and ending June 30, 2004, shall be reduced</u>,
- 8 with a target reduction of ten percent for each
- 9 charter agency, from the appropriation that would
- 10 otherwise have been enacted for that charter agency
- 11 which, along with any additional generated revenue to
- 12 the general fund of the state attributed to the
- 13 reinvention process as determined by the department of
- 14 management, over that already committed to the general
- 15 fund of the state by a charter agency, will achieve an
- 16 overall target of fifteen million dollars.
- 17 Sec.\_\_\_. Section 7J.2, if enacted by 2003 Iowa
- 18 Acts, Senate File 453, is amended to read as follows:
- 19 7J.2 CHARTER AGENCY LOAN GRANT FUND.
- 20 1. A charter agency loan grant fund is created in
- 21 the state treasury under the control of the department
- 22 of management for the purpose of providing funding to
- 23 support innovation by those state agencies designated
- 24 as charter agencies in accordance with section 7J.1.
- 25 Innovation purposes shall include but are not limited 26 to training, development of outcome measurement
- 27 systems, management system modifications, and other
- 28 modifications associated with transition of operations
- 29 to charter agency status. Moneys in the fund are
- 30 appropriated to the department of management for the
- 31 purposes described in this subsection.
- 32 2. A charter agency requesting a  $\frac{1}{1}$  from
- 33 the fund shall complete an application process
- 34 designated by the director of the department of
- 35 management. Minimum loan requirements for charter
- 36 agency requests shall be determined by the director.
- 37 3. In order for the fund to be self supporting,
- 38 the director of the department of management shall
- 39 establish repayment schedules for each loan awarded.
- 40 An agency shall repay the loan over a period not to

- 41 exceed five years with interest, at a rate to be
- 42 determined by the director.
- 4. 3. Notwithstanding section 12C.7, subsection 2, 43
- 44 interest or earnings on moneys deposited in the
- 45 charter agency loan grant fund shall be credited to
- 46 the charter agency loan grant fund. Notwithstanding
- 47 section 8.33, moneys credited to the charter agency
- 48 loan grant fund shall not revert to the fund from
- 49 which appropriated at the close of a fiscal year.
- Sec.\_\_\_. Section 8.23, subsection 1, paragraph a,

- 1 Code 2003, is amended by striking the paragraph.
- Sec. . Section 8.31, Code 2003, is amended to 2
- read as follows:
- 8.31 QUARTERLY REQUISITIONS—ALLOTMENTS OF
- <u>APPROPRIATIONS</u> EXCEPTIONS MODIFICATIONS.
- 1. a. Before an appropriation for administration,
- operation and maintenance of any department or 7
- 8 establishment shall become becomes available, there
- shall be submitted the department or establishment
- 10 shall submit to the director of the department of
- 11 management, not less than twenty days before the
- 12 beginning of each quarter of each fiscal year, a
- 13 requisition for an allotment of the amount estimated
- 14 to be necessary to carry on its work appropriation
- 15 according to dates identified in the requisition 16 during the ensuing quarter fiscal year by which
- 17 portions of the appropriation will be needed. The
- 18 department or establishment shall submit the
- 19 requisition by June 1, prior to the start of a fiscal
- 20 year or by another date identified by the director.
- The requisition shall contain details of proposed 21
- expenditures as may be required by the director of the
- 23 department of management subject to review by the
- 24 governor.
- 25 b. The director of the department of management
- 26 shall approve the allotments subject to review by the
  - governor, unless it is found that the estimated budget
- 28 resources during the fiscal year are insufficient to
- 29 pay all appropriations in full, in which event such
- allotments may be modified to the extent the governor
- 31 may deem necessary in order that there shall be no 32 overdraft or deficit in the several funds of the state
- 33 at the end of the fiscal year, and the director shall
- 34 submit copies of the allotments thus approved or
- modified to the head of the department or 35
- establishment concerned, who shall set up such
- 37 allotments on the books and be governed accordingly in
- 38 the control of expenditures.
- Allotments of appropriations made for equipment,

- 40 land, permanent improvements, and other capital
- 41 projects may, however, be allotted in one amount by
- 42 major classes or projects for which they are
- 43 expendable without regard to quarterly periods. For
- 44 fiscal years beginning on or after July 1, 1989,
- 45 allotments of appropriations for equipment, land,
- 46 permanent improvements, and other capital projects,
- 47 except where contracts have been entered into with
- 48 regard to the acquisition or project prior to July 1,
- 49 1989, shall not be allotted in one amount but shall be
- 50 allotted at quarterly periods as provided in this

- 1 section.
- 2 2. Allotments thus made in accordance with
- 3 subsection 1 may be subsequently modified by the
- director of the department of management at the
- direction of the governor either upon the written
- request of the head of the department or establishment 6
- concerned, or in the event the governor finds that the
- estimated budget resources during the fiscal year are 8
- insufficient to pay all appropriations in full, upon
- 10 the governor's own initiative to the extent the
- governor may deem necessary in order that there shall
- be no overdraft or deficit in the several funds of the
- state at the end of the fiscal year; and the head of
- 14 the department or establishment shall be given notice
- 15 of a modification in the same way as in the case of
- 16 original allotments.
- 3. Provided, however, that the The allotment 17
- 18 requests of all departments and establishments
- collecting governmental fees and other revenue which
- 20 supplement a state appropriation shall attach to the
- 21 summary of requests a statement showing how much of
- 22 the proposed allotments are to be financed from (1)
- 23 state appropriations, (2) stores, and (3) repayment
- 24 receipts.
- 4. The procedure to be employed in controlling the 25
- 26 expenditures and receipts of the state fair board and
- the institutions under the state board of regents,
- 28 whose collections are not deposited in the state
- 29 treasury, is that outlined in section 421.31,
- 30 subsection 6.
- 5. If the governor determines that the estimated 31
- 32 budget resources during the fiscal year are
- 33 insufficient to pay all appropriations in full, the
- 34 reductions shall be uniform and prorated between all
- departments, agencies and establishments upon the
- 36 basis of their respective appropriations.
- 6. Allotments from appropriations for the foreign
- 38 trade offices of the department of economic

- 39 development, if the appropriations are described by
- 40 line item in the department's appropriation Act or
- 41 another Act, may be made without regard to quarterly
- 42 periods as is necessary to take advantage of the most
- 43 favorable foreign currency exchange rates.
- 44 Sec.\_\_. Section 8.57, subsection 1, paragraph c,
- 45 Code  $\overline{2003}$ , is amended to read as follows:
- 46 c. The amount appropriated in this section is not
- 47 subject to the provisions of section 8.31, relating to
- 48 quarterly requisitions and allotment, or to section
- 49 8.32, relating to conditional availability of
- 50 appropriations."

- 1 12. Page 24, by inserting after line 9 the
- 2 following:
- 3 "Sec.\_\_\_. Section 12C.27, Code 2003, is amended
- 4 by striking the section and inserting in lieu thereof
- 5 the following:
- 6 12C.27 FAILURE TO MAINTAIN REQUIRED COLLATERAL.
- 7 If treasurer of state determines that a bank fails
- 8 to comply with chapter 12C.22, subsections 2 and 3,
- 9 the treasurer of state may restrict that bank from
- 10 accepting uninsured public funds and shall notify the
- 11 office of thrift supervision, the office of the
- 12 comptroller of the currency, or the superintendent as
- 13 applicable, who may take such action against the bank,
- 14 its board of directors and officers as permitted by
- 15 law."
- 16 13. Page 24, by inserting after line 30 the
- 17 following:
- 18 "Sec.\_\_\_. Section 15E.42, subsection 3, Code
- 19 2003, is amended to read as follows:
- 20 3. "Investor" means an individual making a cash
- 21 investment in a qualifying business or an individual
- 22 taxed on income from a revocable trust's cash
- 23 investment in a qualifying business or a person making
- 24 a cash investment in a community-based seed capital
- 25 fund. "Investor" does not include a person which is a
- 26 current or previous owner, member, or shareholder in a
- 27 qualifying business.
- 28 Sec. \_\_\_. Section 15E.43, subsection 1, paragraph
- $29\,\,$  a, Code 2003, is amended to read as follows:
- 30 a. For tax years beginning on or after January 1,
- 31 2002, a tax credit shall be allowed against the taxes
- 32 imposed in chapter 422, division II, for a portion of
- 33 an individual taxpayer's equity investment, as
- 34 provided in subsection 2, in a qualifying business.
- 35 An individual shall not claim a tax credit under this
- 36 paragraph of a partnership, limited liability company,
- 37 S corporation, estate, or trust electing to have

- 38 income taxed directly to the individual. However, an
- 39 individual receiving income from a revocable trust's
- 40 investment in a qualified business may claim a tax
- 41 credit under this paragraph against the taxes imposed
- 42 in chapter 422, division II, for a portion of the
- 43 revocable trust's equity investment, as provided in
- 44 subsection 2, in a qualified business.
- Sec.\_\_\_. Section 15E.43, subsection 1, Code 2003,
- 46 is amended by adding the following new paragraph:
- NEW PARAGRAPH. d. In the case of a tax credit
- 48 allowed against the taxes imposed in chapter 422,
- division II, where the taxpayer died prior to
- 50 redeeming the entire tax credit, the remaining credit

- can be redeemed on the decedent's final income tax
- 3 . Section 15E.45, subsection 2, paragraph
- c, Code 2003, is amended to read as follows: 4
- c. The fund has no fewer than ten individual
- 6 investors who are not affiliates, with no single
- investor and affiliates of that investor together
- owning a total of more than twenty-five percent of the
- ownership interests outstanding in the fund.
- 10 Sec.\_\_\_. Section 15E.51, subsection 4, Code 2003,
- 11 is amended to read as follows:
- 4. A taxpayer shall not claim a tax credit under 12
- 13 this section if the taxpayer is a venture capital
- 14 investment fund allocation manager for the Iowa fund
- 15 of funds created in section 15E.65 or an investor that
- receives a tax credit for an the same investment in a
- community-based seed capital fund as defined in 2002 17
- 18 Iowa Acts, House File 2271.
- 19 Sec. . Section 15E.66, Code 2003, is amended by
- adding the following new subsection: 20
- NEW SUBSECTION. 8. At such time that the Iowa 21
- capital investment corporation requests the issuance
- of tax credits with respect to an investment in the
- 24 Iowa fund of funds and prior to issuing such tax
- 25 credits, the board shall consider the terms of the
- 26 investment and the terms of the proposed tax credit
- certificate and shall assess the level of risk that
- 28 the tax credits will be redeemed and the likelihood
- 29 that the investment will result in returns in excess
- 30 of amounts payable to designated investors which may
- 31 be reinvested in the Iowa fund of funds revolving fund
- 32 as provided in section 15E.65. In making this
- determination, the board shall compare how alternative
- 34 investment structures would affect the level of risk
- 35 that the tax credits will be redeemed and the
- 36 likelihood that the investment will cause excess

- 37 returns to be generated in the Iowa fund of funds for
- 38 reinvestment in the revolving fund. The board may
- 39 issue tax credits with respect to a particular
- 40 investment in the Iowa fund of funds consistent with
- 41 the provisions hereof if it determines that the Iowa
- 42 capital investment corporation has structured the
- 43 investments in the Iowa fund of funds in an
- 44 appropriate manner to minimize the risk that the tax
- 45 credits will be redeemed and to maximize the amount
- 46 available to be reinvested in the Iowa fund of funds
- 47 revolving fund. A member of the board shall not incur
- 48 any liability with respect to any decision to issue
- 49 tax credits or to refuse to issue tax credits or with
- 50 respect to the performance of the investments in the

- 1 Iowa fund of funds."
- 2 14. Page 29, line 21, by inserting after the
- 3 figure "29C.6" the following: "and disaster medical
- 4 assistance teams when acting under the provisions of
- 5 <u>section 135.153</u>".
- 6 15. Page 30, by inserting after line 27 the
- 7 following:
- 8 "Sec.\_\_. Section 80B.5, Code 2003, is amended to
- 9 read as follows:
- 10 80B.5 ADMINISTRATION.
- 11 The administration of the Iowa law enforcement
- 12 academy and council Act shall be vested in the office
- 13 of the governor. A director of the academy and such
- 4 staff Staff as may be necessary for it the law
- 15 enforcement academy to function shall be employed
- 16 pursuant to the Iowa merit system.
- 17 Sec. <u>NEW SECTION</u>. 80B.5A DIRECTOR.
- 18 The governor shall appoint the director of the Iowa
- 19 law enforcement academy, subject to senate
- 20 confirmation, to a four-year term beginning and ending
- 21 as provided in section 69.19."
- 22 16. By striking page 30, line 28, through page
- 23 31, line 17, and inserting the following:
- 24 "Sec.\_\_\_. Section 99G.9, subsection 3, paragraph
- 25 j, if enacted by 2003 Iowa Acts, Senate File 453, is
- 26 amended by striking the paragraph.
- 27 Sec.\_\_\_. Section 99G.40, subsection 5, if enacted
- 28 by 2003 Iowa Acts, Senate File 453, is amended to read
- 29 as follows:
- 30 5. The authority shall adopt the same fiscal year
- 31 as that used by state government and shall be audited
- 32 annually by the auditor of state or a certified public
- 33 accounting firm appointed by the auditor. The auditor
- 34 of state or a designee conducting an audit under this
- 35 chapter shall have access and authority to examine any

- 36 and all records of licensees necessary to determine
- 37 compliance with this chapter and the rules adopted
- 38 pursuant to this chapter. The cost of audits and
- examinations conducted by the auditor of state or a
- 40 designee shall be paid for by the authority."
- 17. Page 31, by inserting before line 18 the 41
- 42 following:
- "Sec.\_\_\_. Section 257.11, subsection 5, paragraph 43
- 44 b, Code 2003, is amended to read as follows:
- b. A school district which establishes a regional
- academy shall be eligible to assign its resident
- pupils attending classes at the academy a weighting of
- 48 one-tenth of the percentage of the pupil's school day
- 49 during which the pupil attends classes at the regional
- academy. For the purposes of this subsection,

- "regional academy" means an educational institution
- 2 established by a school district to which multiple
- schools send pupils in grades seven nine through
- 4 twelve, and may include a virtual academy. A regional
- academy shall include in its curriculum advanced-level
- courses and may include in its curriculum vocational-
- 7 technical programs courses. The maximum amount of
- 8 additional weighting for which a school district
- establishing a regional academy shall be eligible is
- 10 an amount corresponding to fifteen additional pupils.
- The minimum amount of additional weighting for which a 11
- school district establishing a regional academy shall
- be eligible is an amount corresponding to ten
- additional pupils if the academy provides both
- 15 advanced-level courses and vocational technical
- 16
- courses. However, if the sum of the funding amount
- 17 calculated for all districts operating regional
- 18 academies under this subsection exceeds one million
- 19 dollars for the school year beginning July 1, 2004,
- and each succeeding fiscal year, the director of the
- 21 department of management shall prorate the amount
- calculated for each district. The proration shall be 23 based upon the amount calculated for each district
- 24 when compared to the sum of the amount for all
- 25 districts.
- Sec.\_\_\_. <u>NEW SECTION</u>. 174.24 LIABILITY OF COUNTY FAIR SOCIETY. 26
- 27
- A society, as defined in section 174.1, shall be
- 29 immune from liability for any damages incurred at a
- 30 county fair held by the society if the damages were
- incurred on or at an exhibit, leased facility,
- 32 amusement ride, or an activity not under the control
- 33 of the society, if the county fair requires the vendor
- 34 in control of the exhibit, leased facility, amusement

- 35 ride, or other activity to obtain liability insurance
- 36 of at least three hundred thousand dollars. An
- 37 officer or employee of a society, as defined in
- 38 section 174.1, shall not be held liable for punitive
- 39 damages as a result of acts in the performance of the
- 40 officer's or employee's duties, unless reckless
- 41 misconduct is proven."
- 42 18. Page 34, by inserting after line 4 the
- 43 following:
- 44 "Sec.\_\_\_. Section 284.13, subsection 1, paragraph
- 45 g, unnumbered paragraph 1, Code 2003, is amended to
- 46 read as follows:
- 47 For each fiscal year in which funds are
- 48 appropriated for purposes of this chapter, the moneys
- 49 remaining after distribution as provided in paragraphs
- 50 "a" through "f" and "h" shall be allocated to school

- 1 districts for salaries and career development in
- 2 accordance with the following formula:"
- 3 19. Page 34, by striking lines 5 and 6 and
- 4 inserting the following:
- $\begin{tabular}{ll} 5 & \begin{tabular}{ll} "Sec. \_ & \end{tabular}. Section 294A.25, subsection 6, Code \\ \end{tabular}$
- 6 2003, is amended by striking the subsection."
- 7 20. Page 37, by inserting after line 35 the
- 8 following:
- 9 "Sec.\_\_. Section 331.605C, subsections 1 and 2,
- 10 if enacted by 2003 Iowa Acts, <u>Senate File 453</u>, are
- 11 amended to read as follows:
- 12 1. For the fiscal year beginning July 1, 2003, and
- 13 ending June 30, 2004, the recorder shall collect a fee
- 14 of five dollars for each recorded transaction.
- 15 <u>regardless of the number of pages,</u> for which a fee is
- 16 paid pursuant to section 331.604 to be used for the
- part pursuant to section 331.004 to be used for the purposes of planning and implementing electronic
- 18 recording and electronic transactions in each county
- 19 and developing county and statewide internet websites
- 20 to provide electronic access to records and
- 21 information.
- 22 2. Beginning July 1, 2004, the recorder shall
- 23 collect a fee of one dollar for each recorded
- 24 transaction, regardless of the number of pages, for
- 25 which a fee is paid pursuant to section 331.604 to be
- 26 used for the purpose of paying the county's ongoing
- 27 costs of maintaining the systems developed and
- 28 implemented under subsection 1."
- 29 21. Page 38, by inserting after line 26 the
- 30 following:
- 31 "Sec.\_\_\_. Section 331.605C, if enacted by 2003
- 32 Iowa Acts, Senate File 453, is amended by adding the
- 33 following new subsection:

- NEW SUBSECTION. 7. The treasurer of state shall
- 35 no later than December 1, 2003, submit a report to the
- 36 general assembly detailing the amount of funds
- collected statewide pursuant to this section. The
- 38 report shall include the total revenue currently being
- 39 collected pursuant to section 310.604 and the total
- 40 which has been collected pursuant to that section for
- 41 the past three years. Funds collected under
- 42 subsection 4 shall not be distributed until such time
- as the general assembly has approved the
- implementation of the statewide website.'
- 45 22. Page 38, by inserting after line 33 the
- 46 following:
- 47 "Sec.\_\_\_. Section 423.4, Code 2003, is amended by
- 48 adding the following new subsection:
- **NEW SUBSECTION.** 9A. Vehicles subject to
- 50 registration which are transferred from a corporation

- that is primarily engaged in the business of leasing
- vehicles subject to registration to a corporation that
- is primarily engaged in the business of leasing
- vehicles subject to registration when the transferor
- 5 and transferee corporations are part of the same
- 6 controlled group for federal income tax purposes."
- 23. Page 39, by striking line 23 and inserting
- 8 the following: "apply for a bonded certificate of
- title under chapter 321 section 321.42. If".
- 10 24. Page 39, by inserting after line 27 the
- 11 following:
- 12 "Sec.\_\_\_. Section 452A.2, Code 2003, is amended
- 13 by adding the following new subsection:
- NEW SUBSECTION. 20A. "Nonterminal storage 14
- 15 facility" means a facility where motor fuel or special
- 16 fuel, other than liquefied petroleum gas, is stored
- 17 that is not supplied by a pipeline or a marine vessel.
- "Nonterminal storage facility" includes a facility
- 19 that manufactures products such as alcohol, biofuel,
- 20 blend stocks, or additives which may be used as motor
- 21 fuel or special fuel, other than liquefied petroleum
- 22 gas, for operating motor vehicles or aircraft."
- 25. Page 40, line 5, by inserting after the word
- "subsection." the following: "Notwithstanding section
- 8.33, any unexpended balance in the fund at the end of
- 26 the fiscal year shall be retained in the fund."
- 27 26. Page 42, by inserting after line 1 the
- 28 following:
- "Sec. . Section 505.7, Code 2003, is amended by
- 30 adding the following new subsection:
- NEW SUBSECTION. 9. The commissioner may retain
- 32 funds collected during the fiscal year beginning July

- 33 1, 2003, pursuant to any settlement, enforcement
- 34 action, or other legal action authorized under federal
- 35 or state law for the purpose of reimbursing costs and
- 36 expenses of the division.
- 37 Sec.\_\_\_. Section 518.18, unnumbered paragraph 2,
- 38 Code  $\overline{2003}$ , is amended to read as follows:
- 1. Two The applicable percent of the gross amount
- 40 of premiums received during the preceding calendar
- year, after deducting the amount returned upon the
- canceled policies, certificates, and rejected
- 43 applications; and after deducting premiums paid for
- 44 windstorm or hail reinsurance on properties
- 45 specifically reinsured; provided, however, that.
- 46 However, the reinsurer of such windstorm or hail risks
- shall pay two the applicable percent of the gross
- 48 amount of reinsurance premiums received upon such
- 49 risks after deducting the amounts returned upon
- canceled policies, certificates, and rejected

- applications. For purposes of this section,
- "applicable percent" means the same as specified in
- section 432.1, subsection 4.
- 2. Except as provided in subsection 3, the premium
- tax shall be paid on or before March 1 of the year
- following the calendar year for which the tax is due.
- The commissioner of insurance may suspend the
- certificate of authority of a county mutual insurance
- association that fails to pay its premium tax on or
- 10 before the due date.
- 3. a. Each county mutual insurance association
- transacting business in this state whose Iowa premium
- 13 tax liability for the preceding calendar year was one
- 14 thousand dollars or more shall remit on or before June
- 15 1, on a prepayment basis, an amount equal to one-half
- 16 of the premium tax liability for the preceding
- calendar year.
- 18 b. In addition to the prepayment amount in
- paragraph "a", each association shall remit on or 19
- 20 before June 30, on a prepayment basis, an additional
- 21 amount equal to the following percent of the premium
- tax liability for the preceding calendar year as
- 23 follows:
- 24 (1) For prepayment in the 2003 and 2004 calendar
- 25 <u>years, eleven percent.</u>
- (2) For prepayment in the 2005 calendar year,
- 27 twenty-six percent.
- (3) For prepayment in the 2006 and subsequent
- 29 calendar years, fifty percent.
- c. The sums prepaid by a county mutual insurance
- association under this subsection shall be allowed as

- 32 credits against its premium tax liability for the
- 33 calendar year during which the payments are made. If
- 34 a prepayment made under this subsection exceeds the
- 35 annual premium tax liability, the excess shall be
- 36 allowed as a credit against subsequent prepayment or
- 37 <u>tax liabilities</u>. The commissioner of insurance may
- 38 suspend the certificate of authority of an association
- 39 that fails to make a prepayment on or before the due
- 40 date.
- 41 Sec.\_\_. Section 518A.35, Code 2003, is amended 42 to read as follows:
- 518A.35 ANNUAL TAX.
- 1. A state mutual insurance association doing
- 45 business under this chapter shall on or before the
- 46 first day of March, each year, pay to the director of
- revenue and finance, or a depository designated by the
- 48 director, a sum equivalent to two the applicable
- 49 percent of the gross receipts from premiums and fees
- 50 for business done within the state, including all

- insurance upon property situated in the state without
- including or deducting any amounts received or paid
- 3 for reinsurance. However, a company reinsuring
- 4 windstorm or hail risks written by county mutual
- insurance associations is required to pay a two the
- 6 applicable percent tax on the gross amount of
- reinsurance premiums received upon such risks, but
- after deducting the amount returned upon canceled
- policies and rejected applications covering property
- situated within the state, and dividends returned to
- policyholders on property situated within the state.
- For purposes of this section, "applicable percent"
- 13 means the same as specified in section 432.1,
- 14 subsection 4.
- 15 2. Except as provided in subsection 3, the premium
- 16 tax shall be paid on or before March 1 of the year
- following the calendar year for which the tax is due. 17
- 18 The commissioner of insurance may suspend the
- 19 certificate of authority of a state mutual insurance
- 20 association that fails to pay its premium tax on or
- 21 before the due date.
- 22 3. a. Each state mutual insurance association
- 23 transacting business in this state whose Iowa premium
- 24 tax liability for the preceding calendar year was one
- 25 thousand dollars or more shall remit on or before June
- 26 1, on a prepayment basis, an amount equal to one-half
- of the premium tax liability for the preceding
- 28 calendar year.
- b. In addition to the prepayment amount in
- 30 paragraph "a", each association shall remit on or

- 31 before June 30, on a prepayment basis, an additional
- 32 amount equal to the following percent of the premium
- 33 tax liability for the preceding calendar year as
- 34 follows:
- 35 (1) For prepayment in the 2003 and 2004 calendar
- 36 years, eleven percent.
- 37 (2) For prepayment in the 2005 calendar year,
- 38 <u>twenty-six percent.</u>
- 39 (3) For prepayment in the 2006 and subsequent
- 40 calendar years, fifty percent.
- 41 <u>c. The sums prepaid by a state mutual insurance</u>
- 42 <u>association under this subsection shall be allowed as</u>
- 43 credits against its premium tax liability for the
- 44 calendar year during which the payments are made. If
- 45 a prepayment made under this subsection exceeds the
- 46 annual premium tax liability, the excess shall be
- 47 allowed as a credit against subsequent prepayment or
- 48 tax liabilities. The commissioner of insurance may
- 49 suspend the certificate of authority of an association
- 50 that fails to make a prepayment on or before the due

- l date
- 2 Sec. \_\_. 2003 Iowa Acts, Senate File 453, section
- 3 30, if enacted, is amended by striking the section and
- 4 inserting in lieu thereof the following:
- 5 SEC. 30. CHARGE FOR RENT. For the fiscal year
- 6 beginning July 1, 2003, and ending June 30, 2004, the
- 7 department of administrative services, if established
- 8 in 2003 Iowa Acts, House File 534, shall transfer
- 9 \$900,000 to the general fund of the state from the
- 10 rent fund if established under section 8A.123 in 2003
- 11 Iowa Acts, House File 534.
- 12 Sec.\_\_. 2003 Iowa Acts, Senate File 453, section
- 13 35, if enacted, is amended to read as follows:
- 14 SEC. 35. CHARTER AGENCY APPROPRIATIONS.
- 15 1. Notwithstanding any provision of law to the
- 16 contrary, the total operating appropriations
- 17 reductions as allowed under section 7J.1 from the
- 18 general fund of the state to those departments and
- 19 agencies designated as charter agencies and additional
- 20 revenue to the general fund of the state attributed to
- 21 the reinvention process as determined by the
- 22 department of management above that already committed
- 23 to the general fund of the state generated for the
- 24 fiscal year beginning July 1, 2003, and ending June
- 25 30, 2004, as provided by the appropriation to those
- 26 agencies as enacted by the Eightieth General Assembly,
- 27 2003 Regular Session, shall be reduced by total
- 28 \$15,000,000. The department of management shall apply
- 29 the appropriation reductions, with a target of a 10

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30 percent reduction for each charter agency, as
31 necessary to which along with additional generated
32 revenue shall achieve the overall reduction amount and
33 shall make this information available to the
34 legislative fiscal committee and the legislative
35 fiscal bureau. It is the intent of the general
36 assembly that appropriations to a charter agency in
37 subsequent fiscal years shall be similarly adjusted
38 from the appropriation that would otherwise have been
39 enacted.
    2. There is appropriated from the general fund of
40
41 the state to the department of management for the
42 fiscal year beginning July 1, 2003, and ending June
43 30, 2004, the following amount, or so much thereof as
44 is necessary, to be used for the purposes designated:
    For deposit in the charter agency loan grant fund
46 created in section 7J.2:
47
    .....$ 3,000,000
     3. For the fiscal year beginning July 1, 2003, and
   ending June 30, 2004, if the actual amount of revenue
   received by a charter agency exceeds the revenue
Page 18
1 amount budgeted for that charter agency by the
  governor and the general assembly, the charter agency
  may consider the excess amount to be repayment
4 receipts as defined in section 8.2.
5 Sec.__. Notwithstanding section 8.33,
6 unencumbered and unobligated funds remaining from the
  appropriation made in 1996 Iowa Acts, chapter 1218,
8 section 13, subsection 2, paragraph "a", subparagraph
9 (2), as amended by 1997 Iowa Acts, chapter 215,
10 section 3, and from the appropriation made in 1997
11 Iowa Acts, chapter 215, section 4, subsection 1, shall
12 not revert but shall be available for the purposes
13 designated in those provisions until the close of the
14 fiscal year beginning July 1, 2003."
    27. Page 42, by inserting after line 10 the
15
16 following:
     "Sec.
           _. 2003 Iowa Acts, Senate File 453,
17
18 section 121, if enacted, is amended to read as
19 follows:
20
    SEC. 121. EFFECTIVE DATE. This division of this
    Act, creating the Iowa lottery authority, takes effect
21
22 September July 1, 2003."
23
    28. Page 42, by inserting after line 12 the
24 following:
     "Sec. USE OF TEAM-BASED VARIABLE PAY MONEYS
26 FOR FY 2003-2004. Notwithstanding section 284.13,
27 subsection 1, paragraph a, of the moneys reserved for
28 purposes of team-based variable pay for the fiscal
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- 29 year beginning July 1, 2003, and ending June 30, 2004,
- 30 the sum of two hundred thousand dollars shall be used
- 31 for purposes of the reading instruction pilot program
- 32 established pursuant to 2003 Iowa Acts, House File
- 33 549, if enacted."
- 29. Page 45, by inserting after line 9 the 34
- 35 following:
- "Sec.\_\_\_. FULL-SIZE OFF-HIGHWAY VEHICLE 36
- 37 REGISTRATION PROGRAM - PLAN. The department of
- natural resources and the state department of
- 39 transportation, in consultation with the Iowa
- 40 association of four wheel drive clubs, shall develop a
- 41 plan for the establishment of a registration program
- 42 for full-size off-highway vehicles for the purposes of
- 43 regulating the recreational use of full-size off-
- 44 highway vehicles and establishing a full-size off-
- 45 highway vehicle recreation area in the state. The
- 46 plan shall include an analysis of the number of full-
- 47 size off-highway vehicles expected to be registered
- 48 prior to the establishment of a full-size off-highway
- vehicle recreation area and the number of
- 50 registrations expected after the establishment of such

- 1 a facility. The plan shall also include optimum
- locations for a full-size off-highway vehicle
- recreation area, estimated costs, if any, for
- maintenance of the area, and any other issues the
- departments and the association deem to be of
- importance in the planning process. The plan, which 6
- shall include any proposed legislation for
- implementation of the plan, shall be submitted to the 8
- legislative services agency and the general assembly
- 10 no later than January 1, 2004.
- Sec.\_\_\_. ELIMINATION OF POSITION IOWA LAW
- 12 ENFORCEMENT ACADEMY DIRECTOR. The merit position of
- 13 director of the Iowa law enforcement academy referred
- 14 to in section 80B.5, Code 2003, is eliminated
- 15 effective April 30, 2004."
- 30. Page 46, by inserting after line 2 the 16
- 17 following:
- "Sec.\_\_\_. SMALLPOX VACCINATIONS. It is the 18
- 19 intent of the general assembly that public safety
- 20 workers, smallpox response teams, and others who will
- 21 be required to be vaccinated pursuant to the federal
- 22 Homeland Security Act be protected from both health-
- 23 related and other results of the federally required
- 24 vaccination. The emergency management division of the
- 25 Iowa department of public defense and local
- 26 governments should work with employees in the public
- 27 safety areas or response teams to achieve the

- 28 following:
- 29 1. Vaccinations should be given only on a
- 30 voluntary basis.
- 31 2. Extensive screening should be employed to
- $32 \;\;$  protect those workers who would be at risk from
- 33 current health conditions if vaccinated.
- 4 3. Reprisals or discrimination for workers not
- 35 voluntarily receiving vaccinations should be
- 36 prohibited.
- 37 4. Public employers should protect employees from
- 38 loss of income or seniority as a result of side
- 39 effects from vaccinations. Homeland security moneys
- 40 received by the emergency management division of the
- 41 Iowa department of public defense from the federal
- 42 government should include a set-aside to purchase
- 43 supplemental insurance for public safety or response
- 44 employees to cover those reactions not covered by
- 45 traditional employer-provided health insurance.
- 46 5. Disability or long-term reactions from
- 47 vaccinations should be considered a work-related
- 48 injury and should be covered by local or state
- 49 policies governing disability.
- 60 6. Vaccinations should be scheduled at staggered

- 1 times to allow for normal loss of staff time because
- 2 of vaccination-related illnesses without seriously
- 3 hampering public safety service.
- 4 7. Vaccinations administered in Iowa should meet
- 5 the requirements of the federal Needlestick Safety and
- 6 Prevention Act of 2000 that requires safety features
- 7 in the use of needles to administer medicine.
- 8 8. The emergency management division of the Iowa
- 9 department of public defense should coordinate efforts
- 10 to ensure adequate supplies of vaccinia immune
- 11 globulin and cidofovir and other appropriate medical
- 12 care and pharmaceuticals to protect those employees
- 13 who suffer reactions to vaccinations."
- 14 31. Page 46, by inserting after line 13 the
- 15 following:
- 16 "\_\_\_. The amendments to sections 8.23, 8.31, and
- $17\ \ 8.57\ which\ are\ first\ applicable\ to\ appropriations\ made$
- 18 for the fiscal year beginning July 1, 2003."
- 19 32. Page 46, by inserting after line 14 the
- 20 following:
- 21 "\_\_\_. The amendments to sections 15E.42, 15E.43,
- 22 15E.45, and 15E.51, which apply retroactively to
- 23 January 1, 2002, for tax years beginning on or after
- 24 that date."
- 25 33. Page 46, by inserting after line 21 the
- 26 following:

```
27 "___. The amendments to sections 518.18 and
28 518A.35."
29 34. Page 46, by inserting after line 26 the
30 following:
31
    "The sections of this division of this Act amending
32 section 80B.5 and enacting section 80B.5A are
33 applicable to the appointment of the director of the
34 Iowa law enforcement academy for the term beginning
35 May 1, 2004."
36 35. Title page, line 3, by inserting after the
37 word "appropriations," the following: "modifying the
38 investment tax credits and premiums taxes on mutual
39 insurance associations,".
40 36. By renumbering, relettering, or redesignating
41 and correcting internal references as necessary.
```

Winckler of Scott offered the following amendment  $\underline{\text{H-1595}}$ , to amendment  $\underline{\text{H-1582}}$ , filed by her from the floor and moved its adoption:

#### H-1595

- Amend the amendment, H-1582, to House File 700 as
   follows:
   1. By striking page 10, line 19 through page 11,
   line 1.
   2. By renumbering as necessary.
  - Amendment <u>H-1595</u> was adopted.

On motion by Dix of Butler amendment  $\underline{\text{H-1582}}$ , as amended, was adopted.

Heaton of Henry offered the following amendment  $\underline{H-1562}$  filed by him and moved its adoption:

#### H-1562

Amend House File 700 as follows:
 Page 7, by inserting after line 15 the
 following:
 "Sec.\_\_. Section 8.55, subsection 2, paragraph
 Code 2003, is amended to read as follows:
 Notwithstanding paragraph "a", any moneys in
 excess of the maximum balance in the economic
 emergency fund after the distribution of the surplus
 in the general fund of the state at the conclusion of
 each fiscal year and after the appropriate amounts
 have been transferred pursuant to paragraphs "b" and

```
12 "c" shall not be transferred to the general fund of
13 the state but shall be transferred to the endowment
14 for Iowa's health account of the tobacco settlement
15 trust fund. The total amount transferred, in the
16 aggregate, under this paragraph for all fiscal years
17 shall not exceed the difference between sixty one
18 hundred one million five seven hundred fifty-one
19 thousand dollars and the amounts transferred to the
20 endowment for Iowa's health account to repay the
    amounts transferred or appropriated from the endowment
22 for Iowa's health account in 2002 Iowa Acts, chapter
23 1165, 2002 Iowa Acts, chapter 1166, 2002 Iowa Acts,
```

- 24 chapter 1167, and 2002 Iowa Acts, Second Extraordinary
- 25 Session, chapter 1003, and 2003 Iowa Acts, House File
- 26 685."
- 27 2. By renumbering as necessary.

## Amendment H-1562 was adopted.

Schickel of Cerro Gordo offered amendment H-1574 filed by Schickel, et al., as follows:

#### H-1574

```
Amend House File 700 as follows:
2
     1. Page 10, by inserting after line 25 the
    following:
3
            . Section 427B.19A, subsection 1, as
     "Sec.
    amended by 2003 Iowa Acts, Senate File 453, if
    enacted, is amended to read as follows:
    1. The industrial machinery, equipment and
    computers property tax replacement fund is created.
    For the fiscal year beginning July 1, 1996, through
10 the fiscal year ending June 30, 2004, there is
11 appropriated annually from the general fund of the
12 state to the department of revenue and finance to be
13 credited to the industrial machinery, equipment and
14 computers property tax replacement fund, an amount
15 sufficient to implement this division. However, for
16 the fiscal year beginning July 1, 2003, the amount
17 appropriated to the department of revenue and finance
18 to be credited to the industrial machinery, equipment
19 and computers tax replacement fund is ten eleven
20 million two hundred eighty-one thousand six hundred
21 eight-five dollars."
22
    2. Page 11, by inserting after line 32 the
23 following:
     "Sec. . FRANCHISE TAX REVENUE ALLOCATION.
25 There is appropriated from the franchise tax revenues
26 deposited in the general fund of the state to the
```

27 department of revenue and finance for the fiscal year

```
28 beginning July 1, 2003, and ending June 30, 2004,
29 $8,800,000 to be allocated as follows:
30 1. Sixty percent to the general fund of the city
31 from which the tax is collected.
    2. Forty percent to the county from which the tax
33 is collected.
    If the financial institution maintains one or more
35 offices for the transaction of business, other than
36 its principal office, a portion of its franchise tax
37 shall be allocated to each office, based upon a
38 reasonable measure of the business activity of each
39 office. The director of revenue and finance shall
40 prescribe, for each type of financial institution, a
41 method of measuring the business activity of each
42 office. Financial institutions shall furnish all
43 necessary information for this purpose at the request
44 of the director. The allocation shall be distributed
```

46 Sec.\_\_. 2003 Iowa Acts, <u>Senate File 453</u>, section 47 28, if enacted, is repealed."

Wise of Lee offered the following amendment  $\underline{H-1599}$ , to amendment  $\underline{H-1574}$ , filed by Wise, Bell of Jasper, Cohoon of Des Moines, Winckler of Scott, Lykam of Scott, Ford of Polk, Osterhaus of Jackson, Mascher of Johnson, Murphy of Dubuque and Jochum of Dubuque and moved its adoption:

#### H-1599

- 1 Amend the amendment, H-1574, to House File 700 as
- 2 follows:

45 quarterly.

- 3 1. Page 1, by striking lines 19 and 20 and
- 4 inserting the following: "and computers tax
- 5 replacement fund is ten twenty million eighty-one
- 6 thousand six hundred".
- 7 2. Page 1, by striking lines 24 through 45.

Roll call was requested by Wise of Lee and Murphy of Dubuque.

On the question "Shall amendment  $\underline{\text{H-1599}}$  be adopted?" ( $\underline{\text{H.F.}}$  700)

The ayes were, 43:

Bell	Berry	Cohoon	Connors
Davitt	Eichhorn	Fallon	Foege
Ford	Frevert	Gaskill	Greimann
Hahn	Heddens	Hunter	Jochum
Kuhn	Lensing	Lykam	Mascher

McCarthy Mertz Miller Murphy Myers Oldson Olson, D. Osterhaus Petersen Quirk Reasoner Shoultz Smith Stevens **Swaim** Taylor, D. Taylor, T. **Thomas** Wendt Whitaker Whitead Winckler Wise

The nays were, 54:

Alons Baudler Boal Boddicker Chambers Dandekar De Boef **Dennis** Dix Dolecheck Drake Elgin Freeman Gipp Granzow Greiner Hansen Hanson Heaton Hoffman Horbach Huseman Huser Hogg Hutter Jacobs **Jenkins** Jones Lalk Kramer Kurtenbach Klemme Lukan Maddox Manternach Olson, S. Paulsen Raecker Rants, Spkr. Rasmussen Rayhons Roberts Sands Schickel Struyk **Tjepkes** Tymeson Upmeyer Van Engelenhoven Van Fossen, J.K. Van Fossen, J.R. Watts Wilderdyke Carroll,

Presiding

Absent or not voting, 3:

Arnold Boggess Bukta

Amendment H-1599 lost.

Schickel of Cerro Gordo moved the adoption of amendment  $\underline{\text{H-}}$  1574.

A non-record roll call was requested.

The ayes were 46, nays 9.

Amendment <u>H-1574</u> was adopted.

Murphy of Dubuque offered the following amendment  $\underline{H-1591}$  filed by him from the floor and moved its adoption:

#### H-1591

- 1 Amend <u>House File 700</u> as follows:
- 2 1. Page 11, by inserting after line 32 the
- 3 following:

```
    4 "Sec.__. HOUSING TRUST FUND APPROPRIATION –
    5 INTENT. It is the intent of the general assembly that
    6 an additional $800,000 be appropriated for the fiscal
```

7 year beginning July 1, 2004, for deposit in the

 $8 \hspace{0.1in}$  housing trust fund created in section 16.181, if

9 enacted by this Act."

## Amendment <u>H-1591</u> lost.

Murphy of Dubuque offered amendment  $\underline{H-1590}$  filed by him from the floor as follows:

#### H-1590

```
1
     Amend House File 700 as follows:
2
     1. Page 12, line 10, by striking the word "There"
    and inserting the following: "Notwithstanding section
    8.56, subsections 3 and 4, there is appropriated from
    the cash reserve fund to the salary adjustment fund,
    for distribution by the department of management as
7
    provided in this section, for the fiscal year
8
    beginning July 1, 2003, and ending June 30, 2004, the
    amount of $19,000,000.
10
    In addition, there".
     2. Page 12, line 17, by striking the word ", or"
12 and inserting the following: ". The amounts
13 appropriated in this section, or so much thereof".
     3. Page 12, line 18, by inserting after the word
15 "necessary," the following: "shall be used".
    4. Page 13, by inserting before line 14 the
16
17 following:
            . STATE COURTS - JUSTICES, JUDGES, AND
    "Sec.
18
19 MAGISTRATES.
    1. The salary rates specified in subsection 2 are
21 for the fiscal year beginning July 1, 2003, effective
22 for the pay period beginning June 20, 2003, and for
23 subsequent fiscal years until otherwise provided by
24 the general assembly. The salaries provided for in
25 this section shall be paid from funds allocated to the
26 judicial branch from the salary adjustment fund
27 pursuant to this division of this Act or if the
28 appropriation is not sufficient, from the funds
29 appropriated to the judicial branch pursuant to any
30 Act of the general assembly.
    2. The following annual salary rates shall be paid
32 to the persons holding the judicial positions
33 indicated during the fiscal year beginning July 1,
34 2003, effective with the pay period beginning June 20,
35 2003, and for subsequent pay periods.
    a. Chief justice of the supreme court:
```

37 ......\$ 127,040

38	b. Each justice of the supreme court:		
39		\$	122,500
40	c. Chief judge of the court of appeals:	_	
41		\$	122,380
42	d. Each associate judge of the court of appeals:	ć	117 050
43 44	. Fook shirefundes of a judicial district.	\$	117,850
44 45	e. Each chief judge of a judicial district:	e	116,760
46	f. Each district judge except the chief judge of a	Ģ	110,700
47	judicial district:		
48	Judicial district.	s	112,010
49	g. Each district associate judge:		,
50	J 0	\$	97,610
Pag	ge 2		
1	h Each associate inventile indee		
2	h. Each associate juvenile judge:	e	97,610
3	i. Each associate probate judge:	Ģ	97,010
4	i. Each associate probate judge.	s	97,610
5	j. Each judicial magistrate:	Ψ.	01,010
6	J. Zuen Jaurena magierrare.	Ś	29,100
7	k. Each senior judge:	•	,
8		\$	6,500
9	3. Persons receiving the salary rates established		
10	under this section shall not receive any additional		
11	salary adjustments provided by this Act.		
12	Sec ELECTIVE EXECUTIVE OFFICIALS.		
13	1. The annual salary rates specified in this		
14	section are effective for the fiscal year beginning		
15	July 1, 2003, with the pay period beginning June 20,		
16	2003, and for subsequent fiscal years until otherwise		
17 18	provided by the general assembly. The salaries provided for in this section shall be paid from funds		
19	appropriated to the department or agency specified in		
20	this section from the salary adjustment fund or if the		
21	appropriation is not sufficient, from the funds		
22	appropriated to the department or agency pursuant to		
23	any Act of the general assembly.		
24	2. The following annual salary rates shall be paid		
25	to the person holding the position indicated:		
26	a. OFFICE OF THE GOVERNOR		
27	(1) Salary for the governor:		
28		\$	109,640
29	(2) Salary for the lieutenant governor:	^	70.070
30	L. DEDADTMENT OF ACDIGIT TUDE AND LAND		78,250
31 32	b. DEPARTMENT OF AGRICULTURE AND LAND Salary for the secretary of agriculture:	311	EWAKDSHIP
33	Salary for the secretary of agriculture:	Ś	114,000
34	c. DEPARTMENT OF JUSTICE	Ÿ	114,000
35	Salary for the attorney general:		
36	summy for the accorney general.	\$	114,000
			,

37	d. OFFICE OF THE AUDITOR OF STATE	
38	Salary for the auditor of state:	
39		\$ 114,000
40	e. OFFICE OF THE SECRETARY OF STATE	
41	Salary for the secretary of state:	
42		\$ 114,000
43	f. OFFICE OF THE TREASURER OF STATE	
44	Salary for the treasurer of state:	
45		\$ 114,000
46	Sec APPOINTED STATE OFFICERS.	
47	1. a. The governor shall establish a salary for	
48	appointed nonelected persons in the executive branch	
49	of state government holding a position enumerated in	
50	this section within the range provided, by	
30	this section within the range provided, by	
Pag	ge 3	
- 4.5	50	
1	considering, among other items, the experience of the	
2	individual in the position, changes in the duties of	
3	the position, the incumbent's performance of assigned	
4	duties, and subordinates' salaries. However, the	
5	attorney general shall establish the salary for the	
6	consumer advocate, the secretary of state shall	
7	establish the salary for the administrator of the	
8	division of professional licensing and regulation, the	
9	chief justice of the supreme court shall establish the	
10	salary for the state court administrator, the ethics	
11	and campaign disclosure board shall establish the	
12	salary of the executive director, and the state fair	
13	board shall establish the salary of the secretary of	
14	the state fair board, each within the salary range	
15	provided in this section.	
16	b. The governor, in establishing salaries as	
17		
18	provided in this section, shall take into consideration other employee benefits which may be	
19	provided for an individual including, but not limited	
20	to, housing.	
21	c. A person whose salary is established pursuant	
22	to this section and who is a full-time, year-round	
23	employee of the state shall not receive any other	
24	remuneration from the state or from any other source	
25	for the performance of that person's duties unless the	
26	additional remuneration is first approved by the	
27	governor or authorized by law. However, this	
28	provision does not exclude the reimbursement for	
29	necessary travel and expenses incurred in the	
30	performance of duties or fringe benefits normally	
31	provided to employees of the state.	
32	2. The annual salary ranges specified in this	
33	section are effective for the positions specified in	
34	this section for the fiscal year beginning July 1,	
35	2003, and for subsequent fiscal years until otherwise	

36 provided by the general assembly. The governor or 37 other person designated in subsection 1 shall 38 determine the salary to be paid to the person 39 indicated at a rate within the salary ranges indicated 40 from funds appropriated by the general assembly for 41 that purpose. 3. The following are salary ranges 1 through 5 for 43 the fiscal year beginning July 1, 2003, effective with the pay period beginning June 20, 2003: SALARY RANGES Minimum Maximum a. Range 1 ...... \$ 8,800 \$ 30,460 46 b. Range 2 ...... \$ 32,200 \$ 61,470 47 c. Range 3 ...... \$ 44,100 \$ 71,670 48

## Page 4

49

- 4. The following are range 1 positions: There are
- 2 no range 1 positions for the fiscal year beginning
- 3 July 1, 2003.
- 4 5. The following are range 2 positions:
- 5 administrator of the arts division of the department
- 6 of cultural affairs, administrators of the division of
- 7 persons with disabilities, the division on the status
- 8 of women, the division on the status of African-
- 9 Americans, the division of deaf services, and the
- 10 division of Latino affairs of the department of human
- 11 rights, and administrator of the division of
- 12 professional licensing and regulation of the office of
- 13 secretary of state.
- 14 6. The following are range 3 positions:
- 15 administrator of the division of criminal and juvenile
- 16 justice planning of the department of human rights,
- 17 administrator of the division of community action
- 18 agencies of the department of human rights, executive
- 19 director of the commission of veterans affairs, and
- 20 chairperson and members of the employment appeal board
- 21 of the department of inspections and appeals.
- 22 7. The following are range 4 positions:
- 23 superintendent of credit unions, and chairperson, vice
- 24 chairperson, and members of the board of parole.
- 25 8. The following are range 5 positions: state
- 26 public defender, drug policy coordinator, labor
- 27 commissioner, workers' compensation commissioner,
- 28 administrator of the alcohol beverages division of the
- 29 department of commerce, and administrator of the
- 30 historical division of the department of cultural
- 31 affaire
- 32 9. The following are salary ranges 6 through 9 for
- 33 the fiscal year beginning July 1, 2003, effective with
- 34 the pay period beginning June 20, 2003:

35	SALARY RANGES	<b>Minimum</b>	<b>Maximum</b>	
36	a. Range 6	\$ 48,200	\$ 81,940	
37	b. Range 7	\$ 66,000	\$ 92,980	
38	c. Range 8	\$ 70,800	\$107,890	
39	d. Range 9	\$ 79,000	\$128,710	
40	10. The following are range 6 positions: director			
41	of the department of human rights, director of the			
42	Iowa state civil rights commission, executive director			
43	of the college student aid commission, director of the			
44	department for the blind, and executive director of			
45	the ethics and campaign disclosure	board.		
46	11. The following are range 7 pos	itions: direc	tor	
47	of the department of cultural affairs, director of the			
48	department of elder affairs, and director of the law			
49	enforcement academy.			
<b>50</b>	12. The following are range 8 pos	itions: the		

administrator of the state racing and gaming commission of the department of inspections and appeals, director of the department of inspections and appeals, superintendent of banking, administrator of the division of emergency management of the department of public defense, commandant of the veterans home, 6 director of the department of general services, director of the department of personnel, administrator of the public broadcasting division of the department of education, commissioner of insurance, executive 10 director of the Iowa finance authority, consumer 12 advocate, director of the department of natural 13 resources, and chairperson of the utilities board. The other members of the utilities board shall receive 15 an annual salary within a range of not less than 90 16 percent but not more than 95 percent of the annual salary of the chairperson of the utilities board. 17 13. The following are range 9 positions: director 18 19 of the department of administrative services, if 20 established, director of the department of education, 21 director of the department of corrections, director of 22 human services, director of the Iowa department of 23 economic development, director of the information 24 technology department, executive director of the Iowa 25 telecommunications and technology commission, chief 26 executive officer of the Iowa public employees' 27 retirement system, commissioner of public safety, 28 executive director of the state board of regents, 29 director of the state department of transportation, 30 director of the department of workforce development, 31 director of revenue and finance, lottery commissioner, 32 director of public health, the state court

33 administrator, secretary of the state fair board, and

```
34 the director of the department of management.
35 Sec.__. PUBLIC EMPLOYMENT RELATIONS BOARD.
36 1. The salary rates specified in this section are
37 effective for the fiscal year beginning July 1, 2003,
38 with the pay period beginning June 20, 2003, and for
39 subsequent fiscal years until otherwise provided by
40 the general assembly. The salaries provided for in
41 this section shall be paid from funds appropriated to
42 the public employment relations board from the salary
43 adjustment fund, or if the appropriation is not
44 sufficient from funds appropriated to the public
45 employment relations board pursuant to any other Act
46 of the general assembly.
47
   2. The following annual salary rates shall be paid
48 to the persons holding the positions indicated:
   a. Chairperson of the public employment relations
50 board:
Page 6
   ......$ 77,840
   b. Two members of the public employment relations
3 board:
  ......$ 72,510"
  5. By renumbering as necessary.
```

Murphy of Dubuque offered the following amendment  $\underline{H-1598}$ , to amendment  $\underline{H-1590}$ , filed by him from the floor and moved its adoption:

### H-1598

- 1 Amend the amendment, H-1590, to House File 700 as
- 2 follows
- 3 1. Page 1, line 9, by striking the figure
- $4\,$  "19,000,000" and inserting the following:
- 5 "16,000,000".

Amendment <u>H-1598</u> was adopted.

On motion by Murphy of Dubuque amendment  $\underline{\text{H-1590}}$ , as amended, lost.

Horbach of Tama offered the following amendment  $\underline{H-1572}$  filed by him and Heaton of Henry and moved its adoption:

- 1 Amend House File 700 as follows:
- 2 1. Page 12, line 17, by striking the figure

- 3 "25,000,000" and inserting the following:
- 4 "28,000,000".
- 5 2. Page 13, by inserting after line 13 the
- 6 following:
- 7 "Of the amount appropriated in this section,
- 8 \$2,668,000 shall be allocated to the judicial branch
- 9 for the purpose of providing increases in salaries for
- 10 judicial branch employees."

## Amendment $\underline{H-1572}$ was adopted.

# Dix of Butler offered amendment $\underline{H-1575}$ filed by him as follows:

- 1 Amend <u>House File 700</u> as follows:
- 2 1. Page 18, by inserting after line 9 the
- 3 following
- 4 "Sec.\_\_. 2003 Iowa Acts, House File 289, section
- 5 1, is amended by striking the section and inserting in
- 6 lieu thereof the following:
- 7 SECTION 1. Section 12C.1, subsection 2, paragraph
- 8 e, Code 2003, as amended by 2003 Iowa Acts, Senate
- 9 File 395, is amended by adding the following new
- 10 subparagraph:
- 11 NEW SUBPARAGRAPH. (6) Moneys placed in a
- 12 depository for the purpose of completing an electronic
- 13 financial transaction pursuant to section 8A.222 or
- 14 331.427."
- 15 2. Page 19, by inserting after line 8 the
- 16 following:
- 17 "Sec.\_\_\_. Section 99G.10, subsection 2, if
- 18 enacted by 2003 Iowa Acts, Senate File 453, section
- 19 72, is amended to read as follows:
- 20 2. Subject to the approval of the board, the chief
- 21 executive officer shall have the sole power to
- 22 designate particular employees as key personnel, but
- 23 may take advice from the department of personnel in
- 24 making any such designations. All key personnel shall
- 25 be exempt from the merit system described in chapter
- 26 19A 8A, article 4. The chief executive officer and
- 27 the board shall have the sole power to employ,
- 28 classify, and fix the compensation of key personnel.
- 29 All other employees shall be employed, classified, and
- 30 compensated in accordance with chapters 19A chapter
- 31 8A, article 4, and chapter 20.
- 32 Sec.\_\_\_. Section 99G.22, subsection 1, if enacted
- 33 by 2003 Iowa Acts, Senate File 453, is amended to read
- 34 as follows:
- 35 1. The authority shall investigate the financial
- 36 responsibility, security, and integrity of any lottery

- 37 system vendor who is a finalist in submitting a bid,
- 38 proposal, or offer as part of a major procurement
- 39 contract. Before a major procurement contract is
- 40 awarded, the division of criminal investigation of the
- 41 department of public safety shall conduct a background
- 42 investigation of the vendor to whom the contract is to
- 43 be awarded. The chief executive officer and board
- 44 shall consult with the division of criminal
- 45 investigation and shall provide for the scope of the
- 46 background investigation and due diligence to be
- 47 conducted in connection with major procurement
- 48 contracts. At the time of submitting a bid, proposal,
- 49 or offer to the authority on a major procurement
- 50 contract, the authority shall require that each vendor

- 1 submit to the division of criminal investigation
- 2 appropriate investigation authorization to facilitate
- 3 this investigation, together with an advance of funds
- 4 to meet the anticipated investigation costs. If the
- 5 division of criminal investigation determines that
- 6 additional funds are required to complete an
- 7 investigation, the vendor will be so advised. The
- 8 background investigation by the division of criminal
- 9 investigation may include a national criminal history
- 10 record check through the federal bureau of
- 11 investigation. The screening of vendors or their
- 12 employees through the federal bureau of investigation
- 13 shall be conducted by submission of fingerprints
- 14 through the state criminal history record repository
- 15 to the federal bureau of investigation.
- 16 Sec.\_\_. Section 99G.37, subsection 2, if enacted
- 17 by 2003 Iowa Acts, Senate File 453, section 90, is
- 18 amended to read as follows:
- 19 2. In any bidding process, the authority may
- 20 administer its own bidding and procurement or may
- 21 utilize the services of the department of general
- 22 <u>administrative</u> services<del>, or its successor,</del> or other
- 23 state agency.
- 24 Sec.\_\_\_. Section 99G.38, subsection 3, if enacted
- 25 by 2003 Iowa Acts, Senate File 453, section 91, is
- 26 amended to read as follows:
- 27 3. The state of Iowa offset program, as provided
- 28 in section 421.17 8A.504, shall be available to the
- 29 authority to facilitate receipt of funds owed to the
- 30 authority."
- 31 3. Page 19, by inserting after line 34 the
- 32 following:
- 33 "Sec.\_\_\_. Section 231.56A, if enacted by 2003
- 34 Iowa Acts, Senate File 4165, section 1, is amended to
- 35 read as follows:

- 36 231.56A ELDER ABUSE <u>INITIATIVE</u>, EMERGENCY SHELTER,
- 37 AND SUPPORT SERVICES PROJECTS.
- 38 1. Through the state's service contract process
- 39 adopted pursuant to section 8.47, the department shall
- 40 identify area agencies on aging that have demonstrated
- 41 the ability to provide a collaborative response to the
- 42 immediate needs of elders in the area agency on aging
- 43 service area for the purpose of implementing elder
- 44 abuse initiative, emergency shelter, and support
- 45 services projects. The projects shall be implemented
- 46 only in the counties within an area agency on aging
- 47 service area that have a multidisciplinary team
- 48 established pursuant to section 235B.1.
- 49 2. The target population of the projects shall be
- 50 any elder residing in the service area of an area

- 1 agency on aging who meets both of the following
- 2 conditions:
- a. Is the subject of a report of suspected
- 4 dependent adult abuse pursuant to chapter 235B.
- 5 b. Is not receiving assistance under a county
- 6 management plan approved pursuant to section 331.439.
  - 3. The area agencies on aging implementing the
- 8 projects shall identify allowable emergency shelter
- 9 and support services, state funding, outcomes,
- 10 reporting requirements, and approved community
- 11 resources from which services may be obtained under
- 12 the projects. The area agency on aging shall identify
- 13 at least one provider of case management services for
- 13 at least one provider of case management services for
- 14 the project area.
- 15 4. The area agencies on aging shall implement the
- 16 projects and shall coordinate the provider network
- 17 through the use of referrals or other engagement of
- 18 community resources to provide services to elders.
- 19 5. The department shall award funds to the area 20 agencies on aging in accordance with the state's
- 21 service contract process. Receipt and expenditures of
- 22 moneys under the projects are subject to examination,
- 23 including audit, by the department.
- 24 6. This section shall not be construed and is not
- 25 intended as, and shall not imply, a grant of
- $26 \quad entitlement \ for \ services \ to \ individuals \ who \ are \ not$
- $\,$  27  $\,$  otherwise eligible for the services or for utilization
- 28 of services that do not currently exist or are not
- 29 otherwise available."
- 30 4. Page 20, by inserting after line 26 the
- 31 following:
- 32 "Sec.\_\_\_. Section 321.69, subsection 9, as
- 33 amended by 2003 Acts, House File 502, section 3, is
- 34 amended to read as follows:

- 9. This Except for subsection 9A, this section
- 36 does not apply to motor trucks and truck tractors with
- 37 a gross vehicle weight rating of sixteen thousand
- 38 pounds or more, vehicles more than nine model years
- 39 old, motorcycles, motorized bicycles, and special40 mobile equipment. This section does apply to motor
- 41 homes. The requirement in subsection 1 that the new
- 42 certificate of title and registration receipt shall
- 43 state on the face of the title the total cumulative
- 44 dollar amount of damage does not apply to a vehicle
- 45 with a certificate of title bearing a designation that
- 46 the vehicle was previously titled on a salvage
- 47 certificate of title pursuant to section 321.52,
- 48 subsection 4, paragraph "b", or to a vehicle with a
- 49 certificate of title bearing a "REBUILT" or "SALVAGE"
- 50 designation pursuant to section 321.24, subsection 4

- 1 or 5. This Except for subsection 9A, this section
- 2 does not apply to new motor vehicles with a true
- 3 mileage, as defined in section 321.71, of one thousand
- 4 miles or less, unless such vehicle has incurred damage
- 5 as defined in subsection 2."
- 6 5. Page 22, by inserting after line 31 the
- 7 following:
- 8 "Sec.\_\_\_. 2003 Iowa Acts, <u>Senate File 453</u>,
- 9 section 44, subsection 8, if enacted, is amended to
- 10 read as follows:
- 11 8. STATUTORY REQUIREMENTS. The requirements of
- 12 sections 18.6 8A.311 and 72.3 and the administrative
- 13 rules implementing section 8.47 are not applicable to
- 14 the services procurement process used to implement the
- 15 outcomes-based service system redesign in accordance
- 16 with this section. The department of human services
- 17 may enter into competitive negotiations and proposal
- 18 modifications with each successful contractor as
- 19 necessary to implement the provisions of this
- 20 section."
- 21 6. Page 23, by inserting after line 22 the
- 22 following:
- 23 "\_\_\_. The sections of this division of this Act
- 24 amending sections 12C.1, 99G.10, 99G.37, and 99G.38
- 25 take effect only if <u>House File 534</u> is enacted by the
- 26 Eightieth General Assembly, 2003 Regular Session."
  - 7 7. Title page, line 3, by inserting after the
- 28 word "appropriations," the following: "modifying
- 29 sales and use taxes,".
- 30 8. By renumbering as necessary.

Dix of Butler offered the following amendment  $\underline{H-1583}$ , to amendment  $\underline{H-1575}$ , filed by him from the floor and moved its adoption:

#### H-1583

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    Amend the amendment, H-1575, to House File 700 as follows:
    1. Page 1, by inserting after line 1 the following:
    "__. Page 8, line 33, by striking the words "one hundred"."
    2. By renumbering as necessary.
```

Amendment <u>H-1583</u> was adopted.

On motion by Dix of Butler amendment  $\underline{H-1575}$ , as amended, was adopted.

Heaton of Henry offered the following amendment  $\underline{H-1593}$  filed by him from the floor and moved its adoption:

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Amend House File 700 as follows:
     1. Page 24, by inserting after line 30 the
    following:
              NEW SECTION. 12F.1 IOWA ECONOMIC
     "Sec._
4
    STIMULUS FUND - CREATED.
     1. a. The Iowa economic stimulus fund is created
    in the state treasury under the control of the
    treasurer of state. Moneys received from the federal
    government or other sources for the purposes of
10
   economic stimulus or temporary fiscal assistance for
11 state and local governments shall be deposited in the
12 fund.
    b. If any moneys received from the federal
13
14 government for the purpose of economic stimulus are
15 designated for the medical assistance program, the
16 funds shall be used to supplant nongeneral fund
17 appropriations to the medical assistance program.
    2. Moneys deposited in the fund shall be used only
18
19 as provided in appropriations from the fund for the
20 purposes specified in the appropriation.
    3. The fund shall be separate from the general
21
22 fund of the state. The moneys in the fund are not
23 subject to section 8.33 and shall not be transferred,
24 used, obligated, appropriated, or otherwise
25 encumbered, except to provide for the purpose of this
```

- 26 section. Notwithstanding section 12C.7, subsection 2,
- 27 interest or earnings on moneys deposited in the fund
- 28 shall be credited to the fund."
- 2. By renumbering as necessary.

Amendment H-1593 was adopted.

Huser of Polk offered the following amendment H-1596 filed by her from the floor and moved its adoption:

### H-1596

- Amend House File 700 as follows:
- 1. Page 25, line 6, by inserting after the word
- "any" the following: "current or future".

Amendment  $\underline{H-1596}$  was adopted.

T. Taylor of Linn offered the following amendment H-1602 filed by him from the floor and moved its adoption:

- Amend House File 700 as follows:
- 2 1. Page 30, by inserting after line 27 the
- 3 following:
- . Section 96.7, subsection 12, paragraph
- 5 a, Code 2003, is amended to read as follows:
- 6 a. An employer other than a governmental entity or
- a nonprofit organization, subject to this chapter,
- 8 shall pay an administrative contribution surcharge
- equal in amount to one-tenth of one percent of federal
- 10 taxable wages, as defined in section 96.19, subsection
- 37, paragraph "b", subject to the surcharge formula to
- 12 be developed by the department under this paragraph.
- 13 The department shall develop a surcharge formula that
- provides a target revenue level of no greater than six
- million five hundred twenty-five thousand dollars
- 16 annually for calendar years 2003, 2004, and 2005 and a
- target revenue level of no greater than three million 17
- 18 two hundred sixty-two thousand five hundred dollars
- for calendar year 2006 and each subsequent calendar 19 20 year. The department shall reduce the administrative
- contribution surcharge established for any calendar
- year proportionate to any federal government funding
- 23 that provides an increased allocation of moneys for
- 24 workforce development offices, under the federal
- 25 employment services financing reform legislation. Any
- administrative contribution surcharge revenue that is

- 27 collected in calendar year <del>2002</del> <u>2003</u>, <u>2004</u>, <u>or 2005</u> in 28 excess of six million five hundred twenty-five
- 29 thousand dollars or in calendar year 2006 or a
- 30 subsequent calendar year in excess of three million
- 31 two hundred sixty-two thousand five hundred dollars
- 32 shall be deducted from the amount to be collected in
- 33 the subsequent calendar year 2003 before the
- 34 department establishes the administrative contribution
- 35 surcharge. The department shall recompute the amount
- as a percentage of taxable wages, as defined in
- 37 section 96.19, subsection 37, and shall add the
- 38 percentage surcharge to the employer's contribution
- 39 rate determined under this section. The percentage
- 40 surcharge shall be capped at a maximum of seven
- dollars per employee. The department shall adopt 41
- rules prescribing the manner in which the surcharge
- 43 will be collected. Interest shall accrue on all 44 unpaid surcharges under this subsection at the same
- 45 rate as on regular contributions and shall be
- 46 collectible in the same manner. Interest accrued and
- collected under this paragraph and interest earned and
- credited to the fund under paragraph "b" shall be used
- by the department only for the purposes set forth in
- 50 paragraph "c".

- \_. Section 96.7, subsection 12, paragraph
- d, Code 2003, is amended to read as follows:
- d. This subsection is repealed July 1, 2003 2006,
- and the repeal is applicable to contribution rates for
- calendar year 2004 2007 and subsequent calendar
- years." 6
- 2. Page 46, by inserting after line 15 the 7
- following:
- "\_\_\_. The amendment to section 96.7."

Roberts of Carroll in the chair at 2:28 p.m.

Amendment H-1602 lost.

Winckler of Scott offered the following amendment H-1604 filed by her from the floor and moved its adoption:

- Amend House File 700 as follows:
- 2 1. Page 31, by inserting after line 17, the
- 3 following:
- "Sec.\_\_\_. Section 256.7, subsection 7, unnumbered

paragraph 5, Code 2003, is amended to read as follows: For the purpose of the rules adopted by the state 7 board, telecommunications means narrowcast 8 communications through systems that are directed toward a narrowly defined audience, and includes 10 interactive live communications, and includes internet 11 web-based applications. Sec.\_. Section 256.9, subsection 50, Code 2003, 12 13 is amended to read as follows: 50. Develop core knowledge and skill criteria 15 models, based upon the Iowa teaching standards, for 16 the evaluation, the advancement, and for teacher career development purposes pursuant to chapter 284. 18 The model criteria shall further define the 19 characteristics of quality teaching as established by 20 the Iowa teaching standards. The director, in 21 consultation with the board of educational examiners, shall also develop a transition plan for 23 implementation of the career development standards 24 developed pursuant to section 256.7, subsection 25, with regard to licensure renewal requirements. The plan shall include a requirement that practitioners be 26 allowed credit for career development completed prior 27 28 to implementation of the career development standards 29 developed pursuant to section 256.7, subsection 25. 30 Sec. 101. Section 256D.9, Code 2003, is amended to 31 read as follows: 32 256D.9 FUTURE REPEAL. 33 This chapter is repealed effective July 1, 2003 34 2004." 35 2. By striking page 33, line 25 through page 34, line 4 and inserting the following: 36 37 "Sec.\_\_\_. Section 284.2, subsections 1 and 3, Code 2003, are amended to read as follows: 1. "Beginning teacher" means an individual serving 40 under an initial provisional license, issued by the 41 board of educational examiners under chapter 272, who is assuming a position as a classroom teacher. For purposes of the beginning teacher mentoring and 44 induction program created pursuant to section 284.5, "beginning teacher" also includes preschool teachers 46 who are licensed by the board of educational examiners 47 under chapter 272 and are employed by a school district or area education agency. 3. "Comprehensive evaluation" means a summative evaluation of a beginning teacher conducted by an

- $1\quad evaluator\ for\ purposes\ of\ determining\ a\ beginning$
- 2 teacher's level of competency, relative to the Iowa
- 3 teaching standards and for recommendation for

licensure based upon models developed pursuant to section 256.9, subsection 50 the Iowa teaching 6 standards, and to determine whether the teacher's practice meets the school district expectations for a 8 career teacher. Sec.\_\_\_. Section 284.3, subsection 2, paragraphs 10 a and b, Code 2003, are amended to read as follows: a. By July 1, 2002, for For purposes of 11 12 comprehensive evaluations for beginning teachers required to allow beginning teachers to progress to 14 career teachers, standards and criteria that are the 15 Iowa teaching standards specified in subsection 1 and 16 the model criteria for the Iowa teaching standards 17 developed by the department in accordance with section 18 256.9, subsection 50. These standards and criteria 19 shall be set forth in an instrument provided by the 20 department. The comprehensive evaluation and 21 instrument are not subject to negotiations or 22 grievance procedures pursuant to chapter 20 or determinations made by the board of directors under section 279.14. A local school board and its 25 certified bargaining representative may negotiate, 26 pursuant to chapter 20, evaluation and grievance procedures for beginning teachers that are not in 28 conflict with this chapter. If, in accordance with section 279.19, a beginning teacher appeals the 30 determination of a school board to an adjudicator 31 under section 279.17, the adjudicator selected shall 32 have successfully completed training related to the 33 Iowa teacher standards, the model criteria adopted by 34 the state board of education in accordance with subsection 3, as enacted by this Act, and any 36 additional training required under rules adopted by 37 the public employment relations board in cooperation 38 with the state board of education. b. By July 1, <del>2004</del> <u>2005</u>, for purposes of performance reviews for teachers other than beginning teachers, evaluations that contain, at a minimum, the 42 Iowa teaching standards specified in subsection 1, as 43 well as the model criteria for the Iowa teaching 44 standards developed by the department in accordance 45 with section 256.9, subsection 50. A local school board and its certified bargaining representative may 47 negotiate, pursuant to chapter 20, additional teaching standards and criteria. A local school board and its 49 certified bargaining representative may negotiate, 50 pursuant to chapter 20, evaluation and grievance

- 1 procedures for teachers other than beginning teachers
- 2 that are not in conflict with this chapter.

```
Sec.___. Section 284.3, subsection 3, Code 2003,
    is amended to read as follows:
5
     3. The state board shall adopt by rule pursuant to
6
    chapter 17A the model criteria developed by the
    department in accordance with section 256.9,
    subsection 50.
8
             Section 284.4, subsection 1, paragraphs
    Sec.
10 c and d, Code 2003, are amended to read as follows:
    c. Provide, beginning in the fourth fifth year of
    participation, the equivalent of two additional
13 contract days, outside of instruction time, than were
14 provided in the school year preceding the first year
15 of participation, to provide additional time for
16 teacher career development that aligns with student
17 learning and teacher development needs, including the
18 integration of technology into curriculum development,
19 in order to achieve attendance center and district-
20 wide student achievement goals outlined in the
21
    district comprehensive school improvement plan.
22 School districts are encouraged to develop strategies
23 for restructuring the school calendar to provide for
24 the most effective professional development, evaluate
25 their current career development alignment with their
26 student achievement goals and research-based
27 instructional strategies, and implement district
28 career development plans. A school district that
    provides the equivalent of ten or more contract days
30 for career development is exempt from this paragraph.
    d. Adopt a district and teacher career development
31
32 program plans in accordance with this chapter.
33
    Sec.___. Section 284.5, subsection 6, Code 2003,
34 is amended to read as follows:
     6. Upon completion of the program, the beginning
35
36 teacher shall be comprehensively evaluated to
    determine if the teacher meets expectations to move to
38 the career level. The school district or area
    education agency that employs the beginning teacher
40 shall recommend for an educational a standard license
41 a beginning teacher who is determined through a
42 comprehensive evaluation to demonstrate competence in
43 the Iowa teaching standards. A school district or
44 area education agency may offer a beginning teacher a
   third year of participation in the program if, after
45
46 conducting a comprehensive evaluation, the school
    district determines that the teacher is likely to
47
48 successfully complete the mentoring and induction
49 program by the end of the third year of eligibility.
   A teacher granted a third year of eligibility shall
```

1 develop a teacher's mentoring and induction program

- plan in accordance with this chapter and shall undergo a comprehensive evaluation at the end of the third 4 year. The board of educational examiners shall grant a one-year extension of the beginning teacher's provisional initial license upon notification by the school district that the teacher will participate in a 7 third year of the school district's program. 8 Sec.\_\_\_. Section 284.6, subsection 5, Code 2003, 10 is amended to read as follows: 5. The teacher's evaluator shall annually meet 11 with the teacher to review progress in meeting the 12 13 goals in the teacher's individual plan. The teacher 14 shall present to the evaluator evidence of progress. 15 The purpose of the meeting shall be to review the 16 teacher's progress in meeting career development goals in the plan and to review collaborative work with 18 other staff on student achievement goals and to modify 19 as necessary the teacher's individual plan to reflect 20 the individual teacher's and the school district's 21 needs and the individual's progress in meeting the goals in the plan. The teacher's supervisor evaluator 23 shall review, modify, or accept modifications made to 24 the teacher's individual plan. Sec.\_\_\_. Section 284.7, subsection 1, paragraph 26 a, subparagraph (1), subparagraph subdivision (b), 27 Code 2003, is amended to read as follows: (b) Holds a provisional an initial teacher license 29 issued by the board of educational examiners. Sec.\_\_\_. Section 284.7, subsection 2, paragraph 31 a, subparagraph (1), Code 2003, is amended to read as 32 follows: (1) A career II teacher is a teacher who meets the requirements of subsection 1, paragraph "b", has met 35 the requirements established by the school district 36 that employs the teacher, and is evaluated by the 37 school district as demonstrating the competencies of a 38 career II teacher. The teacher shall have successfully completed a comprehensive evaluation 40 performance review in order to be classified as a 41 career II teacher. Sec.\_\_\_. Section 284.7, subsection 4, Code 2003, 43 is amended to read as follows:
  - 4. If a <del>comprehensive evaluation performance</del> review for a teacher is conducted in the fifth year of
- 46 the teacher's status at the career level, and47 indicates that the teacher's practice no longer meets
- 48 the standards for that level, a comprehensive
- 49 evaluation performance review shall be conducted in
- 50 the next following school year. If the comprehensive

evaluation performance review establishes that the 1 teacher's practice fails to meet the standards for that level, the teacher shall be ineligible for any additional pay increase other than a cost-of-living 5 increase. Sec.\_. Section 284.7, subsection 6, paragraph 6 7 a, Code 2003, is amended to read as follows: a. For the school year beginning July 1, 2002, and ending June 30, 2003, if If the licensed employees of 10 a school district or area education agency receiving 11 funds pursuant to section 284.13, subsection 1, 12 paragraph "g" or "h", for purposes of this section, 13 are organized under chapter 20 for collective 14 bargaining purposes, the board of directors and the 15 certified bargaining representative for the licensed 16 employees shall mutually agree upon a formula for 17 distributing the funds among the teachers employed by 18 the school district or area education agency. 19 However, the school district must comply with the 20 salary minimums provided for in this section. The 21 parties shall follow the negotiation and bargaining 22 procedures specified in chapter 20 except that if the 23 parties reach an impasse, neither impasse procedures 24 agreed to by the parties nor sections 20.20 through 20.22 shall apply and the funds shall be paid as 26 provided in paragraph "b". Negotiations under this 27 section are subject to the scope of negotiations 28 specified in section 20.9. If a board of directors 29 and the certified bargaining representative for 30 licensed employees have not reached mutual agreement 31 by July 15, 2002, for the distribution of funds 32 received pursuant to section 284.13, subsection 1, 33 paragraph "g" or "h", by July 15 of the fiscal year 34 for which the funds are distributed, paragraph "b" of 35 this subsection shall apply. Sec. . Section 284.8, subsection 2, Code 2003, 37 is amended to read as follows: 2. If a supervisor or an evaluator determines, at 39 any time, as a result of a teacher's performance that 40 the teacher is not meeting district expectations under the Iowa teaching standards specified in section 42 284.3, subsection 1, paragraphs "a" through "g", the 43 model criteria for the Iowa teaching standards 44 developed by the department in accordance with section 45 256.9, subsection 50, or and any other standards or 46 criteria established in the collective bargaining agreement, the evaluator shall, at the direction of 48 the teacher's supervisor, recommend to the district

49 that the teacher participate in an intensive

50 assistance program. The intensive assistance program

- and its implementation are not subject to negotiation or grievance procedures established pursuant to chapter 20. By July 1, 2004 2005, all school districts must be prepared to offer an intensive assistance program. 5 Sec.\_\_\_. Section 284.9, subsection 3, Code 2003, 6 7 is amended to read as follows: 3. To assure fairness and consistency in the evaluation process, the review panels may perform 10 random audits of the comprehensive evaluations and 11 performance reviews conducted by evaluators throughout 12 the state, and may randomly review performance-based 13 evaluation models how the evaluators are evaluating 14 teachers based upon the Iowa teaching standards 15 developed by school districts in accordance with 16 section 284.3, subsection 2. The review of the 17 evaluation models shall ensure that the model is at 18 least equivalent to the state models developed 19 pursuant to section 256.9, subsection 50. 20 Sec.\_\_\_. Section 284.10, subsections 4 and 5, 21 Code 2003, are amended to read as follows: 4. By July 1, 2003, a A higher education 23 institution approved by the state board to provide an 24 administrator preparation program shall incorporate the evaluator training program into the program 26 offered by the institution. 5. Beginning July 1, 2003, the The board of 27 28 educational examiners shall require certification as a 29 condition of issuing or renewing an administrator's 30 license. 31 Sec.\_\_\_. Section 284.13, subsection 1, paragraph 32 a, Code 2003, is amended by striking the paragraph." 3. Page 42, line 11, by striking the word and 34 figure "and 266.26" and inserting the following:
  - 36 4. Page 45, by inserting after line 9, the
- 37 following:

35

- 38 "Sec.\_\_. MINIMUM TEACHER SALARY REQUIREMENTS –
- 39 FY 2003-2004.

"266.26, and 284.11".

- 40 1. Notwithstanding section 284.7, subsection 1,
- 41  $\,$  paragraph "a", subparagraph (2), the minimum teacher
- 42 salary paid by a school district or area education
- 43 agency for purposes of teacher compensation in
- 44 accordance with chapter 284, for the fiscal year
- 45 beginning July 1, 2003, and ending June 30, 2004,
- 46 shall be the minimum salary amount the school district
- 47 or area education agency paid to a first-year
- $\beginning teacher or, the minimum salary amount the$
- 49 school district or area education agency would have
- 50 paid a first-year beginning teacher if the school

- 1 district or area education agency had participated in
- the program in the 2001-2002 school year, in
- accordance with section 284.7, subsection 1, Code
- Supplement 2001. If the school district or area
- education agency did not employ a first-year beginning
- teacher in the 2001-2002 school year, the minimum
- 7 salary is the amount that the district would have paid
- 8 a first-year beginning teacher under chapter 284 in
- the 2001-2002 school year.
- 10 2. Notwithstanding section 284.7, subsection 1,
- 11 paragraph "b", subparagraph (2), the minimum career
- 12 teacher salary paid to a career teacher who was a
- 13 beginning teacher in the 2001-2002 school year, by a
- school district or area education agency participating
- 15 in the student achievement and teacher quality
- 16 program, for the school year beginning July 1, 2003,
- and ending June 30, 2004, shall be, unless the school
- 18 district has a minimum career teacher salary that
- 19 exceeds thirty thousand dollars, one thousand dollars
- 20 greater than the minimum salary amount the school
- district or area education agency paid to a first-year 21
- 22 beginning teacher if the school district or area
- 23 education agency participated in the program during
- 24 the 2001-2002 school year, or the minimum salary amount the school district or area education agency
- 26 would have paid a first-year beginning teacher if the
- 27 school district or area education agency had
- 28 participated in the program in the 2001-2002 school
- 29 year, in accordance with section 284.7, subsection 1,
- 30 Code Supplement 2001.
- 31 3. Notwithstanding section 284.7, subsection 1,
- 32 paragraph "b", subparagraph (2), and except as
- 33 provided in subsection 2, the minimum career teacher
- 34 salary paid by a school district or area education
- 35 agency participating in the student achievement and
- teacher quality program, for purposes of teacher
- compensation in accordance with chapter 284, for the 37
- 38 school year beginning July 1, 2003, and ending June
- 39 30, 2004, shall be the minimum salary amount the
- 40 school district or area education agency paid to a
- 41 career teacher if the school district or area
- education agency participated in the program during
- 43 the 2001-2002 school year, or, the minimum salary
- 44 amount the school district or area education agency
- 45 would have paid a career teacher if the school
- 46 district or area education agency had participated in
- the program in the 2001-2002 school year, in
- 48 accordance with section 284.7, subsection 1, Code
- 49 Supplement 2001."
- 5. Page 46, by inserting after line 30 the

- 1 following:
- 2 "\_\_. Section 101 of this division of this Act,
- 3 relating to the repeal of chapter 256D, being deemed
- 4 of immediate importance, takes effect upon enactment."
- 6. By renumbering, redesignating, and correcting
- 6 internal references as necessary.

## Amendment H-1604 lost.

Winckler of Scott offered the following amendment  $\underline{H-1566}$  filed by Winckler, et al., and moved its adoption:

### H-1566

- 1 Amend <u>House File 700</u> as follows:
- 2 1. By striking page 33, line 25 through page 34,
- lino 1

## Amendment H-1566 lost.

Connors of Polk offered the following amendment  $\underline{H-1597}$  filed by him and Fallon of Polk from the floor and moved its adoption:

- 1 Amend <u>House File 700</u> as follows:
- 2 1. Page 34, by inserting after line 28, the
- 3 following:
- 1 "Sec.\_\_\_. Section 321.109, subsection 1,
- 5 unnumbered paragraph 1, Code 2003, is amended to read
- 6 as follows:
- 7 The annual fee for all motor vehicles, including
- 8 vehicles designated by manufacturers as station
- 9 wagons, and 1993 and subsequent model years for
- 10 multipurpose vehicles, except motor trucks, motor
- 11 homes, ambulances, hearses, motorcycles, and motor
- 12 bicycles, and 1992 and older model years for
- 13 multipurpose vehicles, shall be equal to one percent
- 14 of the value as fixed by the department plus forty
- 15 cents for each one hundred pounds or fraction thereof
- 16 of weight of vehicle, as fixed by the department. The
- 17 weight of a motor vehicle, fixed by the department for
- 18 registration purposes, shall include the weight of a
- 19 battery, heater, bumpers, spare tire, and wheel.
- 20 Provided, however, that for any new vehicle purchased
- 21 in this state by a nonresident for removal to the
- 22 nonresident's state of residence the purchaser may

23 make application to the county treasurer in the county 24 of purchase for a transit plate for which a fee of ten 25 dollars shall be paid. And provided, however, that 26 for any used vehicle held by a registered dealer and 27 not currently registered in this state, or for any 28 vehicle held by an individual and currently registered 29 in this state, when purchased in this state by a 30 nonresident for removal to the nonresident's state of 31 residence, the purchaser may make application to the county treasurer in the county of purchase for a 33 transit plate for which a fee of three dollars shall 34 be paid. The county treasurer shall issue a 35 nontransferable certificate of registration for which 36 no refund shall be allowed; and the transit plates shall be void thirty days after issuance. Such 38 purchaser may apply for a certificate of title by 39 surrendering the manufacturer's or importer's 40 certificate or certificate of title, duly assigned as provided in this chapter. In this event, the 42 treasurer in the county of purchase shall, when satisfied with the genuineness and regularity of the application, and upon payment of a fee of ten dollars, 45 issue a certificate of title in the name and address 46 of the nonresident purchaser delivering the same to 47 the person entitled to the title as provided in this 48 chapter. The provisions of this subsection relating 49 to multipurpose vehicles are effective January 1,

### Page 2

1 annual registration fee for multipurpose vehicles that are 1992 model years and older shall be in accordance with section 321.124. 3 4 Sec. . Section 321.113, subsection 5, paragraph 5 a, Code 2003, is amended to read as follows: 6 a. If a 1993 model year or older motor vehicle, other than a multipurpose vehicle, has been titled in 8 the same person's name since the vehicle was new or the title to the vehicle was transferred prior to 10 January 1, 2002, the part of the registration fee that 11 is based on the value of the vehicle shall be ten 12 percent of the rate as fixed when the motor vehicle 13 was new. Sec.\_\_\_. Section 321.113, subsection 5, paragraph 14 15 b, unnumbered paragraph 1, Code 2003, is amended to 16 read as follows: If the title of a 1993 model year or older motor 17 18 vehicle is transferred to a new owner or if such a 19 motor vehicle is brought into the state on or after 20 January 1, 2002, or if a vehicle is a 1993 model year

21 or older multipurpose vehicle, the registration fee

1993, for all 1993 and subsequent model years. The

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22 shall not be based on the weight and list price of the
23 motor vehicle, but shall be as follows:
24 Sec.__. Section 321.124, subsection 3,
25 unnumbered paragraph 1, Code 2003, is amended to read
26 as follows:
    The annual registration fee for motor homes and
27
28 1992 and older model years for multipurpose vehicles
29 is as follows:
30 Sec.___. Section 321.124, subsection 3, paragraph
31 h, Code 2003, is amended by striking the paragraph."
    2. Page 46, by inserting after line 30 the
32
33 following:
     "Sec.___. EFFECTIVE DATE. The sections of this
35 division of this Act amending sections 321.109,
36 321.113, and 321.124 take effect January 1, 2004, for
37 new registrations and for registration periods
38 beginning on or after that date."
    3. By renumbering as necessary.
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Amendment H-1597 lost.

Elgin of Linn asked and received unanimous consent that amendment  $\underline{H-1600}$  be deferred.

Bell of Jasper offered the following amendment  $\underline{H-1588}$  filed by Bell, Greiner of Washington and Freeman of Buena Vista from the floor and moved its adoption:

### H-1588

- 1 Amend <u>House File 700</u> as follows:
- 2 1. Page 41, line 6, by striking the words "for
- 3 the purpose" and inserting the following: "that
- 4 produces electricity."
- 5 2. Page 41, by striking lines 7 through 14.

Amendment H-1588 was adopted.

Jacobs of Polk asked and received unanimous consent to withdraw amendment <u>H-1581</u> filed by her from the floor.

Mascher of Johnson offered the following amendment <u>H-1580</u> filed by her from the floor and moved its adoption:

- 1 Amend House File 700 as follows:
- 2 1. Page 42, by inserting after line 20, the

```
3
    following:
     "Sec. 200. There is appropriated from the general
    fund of the state to the state election fund of the
    secretary of state, as established by the department
6
    of management, for the fiscal period beginning July 1,
    2002, and ending June 30, 2005, the following amount,
    or so much thereof as is necessary, for implementation
10 of Pub. L. No. 107-252, the Help America Vote Act of
11 2002, to be expended in accordance with the plan
   submitted by the governor to the federal election
13 assistance commission as established by Pub. L. No.
14 107-252, section 201, and to provide a match of the
15 federal appropriation allocated to Iowa pursuant to
16 Pub. L. No. 107-252:
17
    ......$ 1,500,000".
    2. Page 46, by inserting after line 30 the
19 following:
    "10. Section 200, making an appropriation to the
   state election fund of the secretary of state."
    3. By renumbering as necessary.
```

Amendment H-1580 lost.

Fallon of Polk asked and received unanimous consent to withdraw amendment  $\underline{H-1587}$  filed by him from the floor.

Carroll of Poweshiek offered the following amendment <u>H-1592</u> filed by him from the floor and moved its adoption:

```
Amend House File 700 as follows:
     1. Page 49, by inserting after line 5, the
3
     "Sec.___. 2003 Iowa Acts, <u>House File 619</u>, section
4
    7, subsection 4, paragraph b, if enacted, is amended
6
    to read as follows:
7
     b. Pharmacies and providers that are enrolled in
    the medical assistance program shall make available
    drug acquisition cost information, product
   availability information, and other information deemed
11 necessary by the department for the determination of
   reimbursement rates and the efficient operation of the
13 pharmacy benefit. Pharmacies and providers shall
14 produce and submit the requested information in the
15 manner and format requested by the department or its
16 designee at no cost to the department or designee.
17 Pharmacies and providers shall submit information to
18 the department or its designee within thirty days
19 following receipt of a request for information unless
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the department or its designee grants an extension
upon written request of the pharmacy or provider.
Notwithstanding the required provision of information
by pharmacies and providers under this paragraph, if
the department is able to obtain any of the
information required to be provided under this
paragraph in an alternative manner, through which the
department is ensured of the validity and accuracy of
the information and of the timely submission of the
information, the department may instead obtain the
information in the alternative manner. Chapter 550
shall apply to the information provided by pharmacies
and providers under this paragraph."
```

2. By renumbering as necessary.

Amendment <u>H-1592</u> was adopted.

Berry of Black Hawk offered the following amendment  $\underline{H-1589}$  filed by her from the floor and moved its adoption:

## H-1589

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    Amend House File 700 as follows:
    Page 50, line 32, by inserting after the word
    "methamphetamine" the following: "or crack cocaine".
```

Amendment H-1589 lost.

Dix of Butler offered the following amendment  $\underline{H-1584}$  filed by him and Jenkins of Black Hawk from the floor and moved its adoption:

```
Amend House File 700 as follows:
2
     1. Page 51, by inserting after line 11 the
3
    following:
                "DIVISION
     Sec. 201. PURPOSE AND DEFINITIONS.
5
     1. PURPOSE. The general assembly finds that the
6
    Iowa communications network is a valuable state asset
8
    that has served the people of the state well, but
    which requires significant ongoing financial support
   from the state in the form of annual appropriations.
11 The operation of a telecommunications network is a
12 function that can be and generally is conducted by
13 private enterprise. It is in the public interest to
14 sell the Iowa communications network to a qualified
15 private business enterprise that will commit to
```

- 16 provide the same secure low-cost high-quality service
- 17 to state and federal agencies and military
- 18 installations now provided by the network. Through
- 19 such a sale, the state would eliminate the need for
- 20 ongoing annual appropriations while preserving the key
- 21 benefits enjoyed by the state under the present state
- 22 ownership of the network. The state also expects to
- 23 obtain sufficient proceeds from such a sale to cover
- 24 existing obligations and to realize additional
- proceeds above the level of such obligations. Given
- 26 the current depressed state of the telecommunications
- 27 industry, the state can reasonably be expected to
- 28 maximize sales proceeds by allowing a purchaser a
- 29 period of time in which to assemble financing for its
- purchase. During the interim between enactment of
- this division of this Act and completion of a sale,
- 32 the services of a private-enterprise manager with
- 33 experience operating telecommunications networks can
- 34 reasonably be expected to reduce the costs of
- 35 operating the Iowa communications network, thereby
- lowering or possibly eliminating annual
- 37 appropriations.
- 2. DEFINITIONS. As used in this division of this 38
- 39 Act, unless the context otherwise requires:
- 40 a. "Board" means the state network privatization
- 41 board.
- b. "Commission" means the Iowa telecommunications 42
- 43 and technology commission established in section 8D.3
- 44 to oversee the operations of the network.
- c. "Management contract" means an agreement
- 46 between the board and the manager for services to
- 47 oversee and operate the network on behalf of the
- 48 state.
- d. "Manager" means the private entity selected by 49
- 50 the board to oversee and operate the network on behalf

- of the state.
- e. "Network" means the Iowa or state
- communications network as defined in section 8D.2.
- 4 f. "Out-of-pocket expenses" means moneys paid to
- an unaffiliated third party for engineering, legal, 5
- 6 consulting, or other services or goods by a manager or
- - g. "Purchaser" means the entity that is selected
- by the board to purchase the network from the state.
- 10 h. "Required third-party approval" means any
- 11 consent, conveyance, approval, or waiver that must be
- granted by a private, governmental, or quasi-
- 13 governmental third party in order for the purchaser to
- 14 receive clear title to all network assets and the

- 15 right to use the network assets free of adverse
- 16 claims. Required third-party approvals include but
- 17 are not limited to all of the following:
- (1) Approvals of assignments to the purchaser of
- 19 the state's rights under leases or contracts between
- 20 the state and the third party.
- (2) Conveyance to the purchaser of property that
- 22 the third party currently leases to the state on a
- 23 term with less than fifteen years remaining.
- (3) Release of restrictions in contracts that
- 25 require that the state operate the network.
  - i. "Sales contract" means the contract between the
- state as seller, represented by the board, and the
- 28 purchaser, for sale of the network to the purchaser.
- Sec. 202. STATE NETWORK PRIVATIZATION BOARD
- 30 CREATED DUTIES.
- 1. A state network privatization board is created. 31
- 32 The board shall consist of the following members:
- a. A chairperson member appointed by the
- 34 legislative council, subject to confirmation by the
- senate.
- b. A member, who shall not be of the same
- political party as the chairperson, appointed by the
- governor subject to confirmation by the senate.
- c. The adjutant general or the adjutant general's 40 designee.
- 41 2. The board shall do all of the following:
- 42 a. Issue a request for proposals from qualified
- 43 entities interested in serving as the manager of the
- 44 network. This request for proposals shall be issued
- 45 by July 1, 2004, and responses to the request for proposals shall be due by August 1, 2004.
- 47 b. Select a manager and enter into a management
- contract with the manager by October 1, 2004. The
- management contract shall provide for the continuation
- 50 of all services currently being provided to state and

- federal agencies and military installations pursuant
- to chapter 8D, at the rates specified therein, for the
- 3 duration of the contract. The contract shall also
- specify the manager's authority in relation to the
- 5 duties of the commission during the period between
- execution of the management contract and closing of 6
- the sale of the network. The commission shall
- establish a dispute resolution process regarding rate
- increases, quality of service issues, and other areas
- of dispute involving network subscribers. The
- commission shall also make recommendations regarding
- 12 imposition of an ongoing dispute resolution and
- 13 appeals process commencing with the closing of the

- 14 sale of the network.
- 15 c. Issue a request for proposals from qualified
- 16 entities for the purchase of the network. This
- 17 request for proposals shall be issued by January 1,
- 18 2005, and responses to the request for proposals shall
- 19 be due by May 1, 2005.
- 20 d. Utilizing the criteria set forth in sections
- 21 203 and 204 of this Act, select a purchaser and enter
- 22 into a sales contract with the purchaser by October 1,
- 23 2005.
- 24 e. Immediately upon execution of the management
- 25 contract and the sales contract by the majority of the
- $\,26\,\,$  board, transmit the executed contract to the general
- 27 assembly and to the governor. The board shall have
- 28 full authority to enter into the management contract
- 29 and the sales contract on behalf of the state,
- $\,30\,\,$  provided that the general assembly by legislation
- 31 enacted regarding the specific purchase and approved
- 32 by the governor, within thirty days after transmittal
- 33 to the general assembly and the governor in the case
- 34 of the management contract, and within sixty days
- 35 after transmittal to the general assembly and the
- 36 governor in the case of the sales contract, may
- 37 disapprove the board's action, in which case the
- 38 disapproved contract shall have no force and effect.
- 39 In the event of such disapproval, the state shall pay
- 40 the manager or the purchaser, as the case may be,
- 41 reasonable out-of-pocket expenses incurred in
- 42 preparing a proposal and performing prior to
- 43 disapproval, but such expenses shall not exceed two
- 44 hundred thousand dollars in the case of disapproval of
- 45 the management contract and five hundred thousand
- 46 dollars in the case of disapproval of the sales
- 47 contract. In the event that multiple management
- 48 contracts or sales contracts have been executed, the
- 49 two hundred thousand dollars and five hundred thousand
- 50 dollars shall be distributed pro rata among all

- 1 management contracts and sales contracts executed.
- 2 f. Cause the sales contract to require closing by
- 3 October 1, 2007, allowing time for the state to obtain
- 4 third-party approvals as required by section 206 of
- 5 this Act, including the filing of any necessary
- 6 eminent domain actions, and for the purchaser to
- 7 secure financing.
- 8 g. Execute all necessary documents relating to the
- 9 closing of the sale of the network. The board may
- 10 direct any other applicable official to assist in the
- 11 execution of necessary documents relating to the
- 12 closing.

- h. Require by written directive that all state
- 14 officials provide information and records concerning
- 15 the network to the board, to the manager, or to a
- person submitting a proposal to purchase the network,
- whenever the board requires such provision of such
- 18 records and other information.
- i. Take all other steps necessary and proper as
- 20 needed to carry out its responsibilities enumerated in
- 21 this subsection. The board may adopt necessary rules
- pursuant to chapter 17A to administer this division of
- 23 this Act.
- 24 Sec. 203. MINIMUM QUALIFICATIONS OF PURCHASER.
- 25 The purchaser shall meet the following requirements:
- 26 1. The principal place of business of the
- 27 purchaser and any parent of the purchaser shall be
- 28 located in the state of Iowa.
- 2. For national security reasons, and because of 29
- 30 the extensive military use of the network, the
- 31 purchaser shall possess national security approval.
- Sec. 204. CRITERIA FOR SELECTION OF PURCHASER.
- 33 After issuing a request for proposals for the purchase
- of the network and considering the proposals received, 34
- 35 the board shall select the highest and best offer for
- 36 purchase of the network from those persons submitting
- 37
- proposals which meet all of the following criteria:
- 38 1. Satisfy the minimum qualifications of this
- 39 division of this Act.
- 2. Submit a proposal in compliance with the 40
- 41 request for proposals.
- 3. Demonstrate a likelihood of being able to
- 43 obtain any financing necessary to close the
- 44 transaction. However, the board shall not require
- 45 that the purchaser have a commitment for financing to
- 46 award the contract, but shall allow the purchaser at
- 47 least one year to obtain any necessary financing. The
- 48 board may also in its discretion consider proposals
- involving financing of the sale by the state.
- 4. Agree to continue all services currently being

- provided to state and federal agencies and military
- installations for the next ten years, with any annual
- rate increase not to exceed five percent per year,
- provided that the purchaser shall not be required to
- supply at such restricted prices a quantity or quality
- of service greater than that provided by the network
- as of execution of the contract for sale of the
- Sec. 205. CLOSING OF SALE. Any debt of the state
- 10 related to the network or other liens against network
- 11 assets shall be discharged out of the state's proceeds

12 of closing, so that the purchaser receives marketable 13 title to the network. The purchaser shall receive 14 bills of sale, in the case of personal property, and 15 deeds, in the case of real property, transferring all 16 network assets to the purchaser. The state shall also 17 transfer its interest in right-of-way and leases and 18 easements for uses of rights-of-way. Sec. 206. THIRD-PARTY APPROVALS. 19 20 1. The state shall exercise all reasonable efforts to obtain each required third-party approval, 22 including where necessary by use of eminent domain 23 proceedings. To the extent feasible, the state may 24 pay the costs of obtaining required third-party 25 approvals out of the proceeds of sale rather than from 26 the general fund of the state. In the event the state 27 fails to obtain a required third-party approval, the 28 purchaser may terminate the sales contract without 29 penalty and shall be reimbursed by the state for 30 reasonable out-of-pocket expenses incurred in 31 preparing its proposal and fulfilling its obligations under the sales contract, not to exceed two million 33 dollars. 2. The board and the purchaser shall develop a 34 35 list of required third-party approvals and persons who 36 may have claims that would constitute required third-37 party approvals if valid. The board shall mail to 38 each person on the list at their last known address a 39 notice that provides a description of the sale and 40 invites the recipient to submit a claim on a form developed by the board by a deadline set by the board. 42 The claim or interest of any person who fails to timely file a claim shall be deemed discharged and 44 forfeited, and such person shall be forever barred and 45 estopped from taking any action against the state or 46 purchaser that would in any way interfere with the purchaser's use of the network. In addition, the 48 board shall publish the notice in newspapers of general circulation in the state of Iowa, and failure

### Page 6

1 rights could constitutionally be affected by such

50 to file a timely claim shall bar all persons whose

- $2\quad \ notice, just as if such person had been mailed notice.$
- 3 3. Any eminent domain or other proceeding to
- 4 obtain a required third-party approval shall be
- 5 promptly filed by the attorney general at the request
- 6 of the board and shall be added to the calendar of any
- 7 trial or appellate court of this state so that the
- 8 deadline in section 202 of this Act for closing the
- 9 sale can be met.
- 10 Sec. 207. REMOVAL OF RESTRICTIONS REPEAL OF

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11 CHAPTER 8D. Chapter 8D is repealed, effective as of
12 the date of the closing of the sale of the network
13 under this division of this Act, as certified by the
14 chairperson of the board to the governor.
    Sec. 208. ASSISTANCE OF OTHER STATE AGENCIES.
16 1. The attorney general shall provide legal advice
17 to the board.
18 2. All other state agencies shall provide whatever
19 assistance may reasonably be required by the board in
20 carrying out its duties under this division of this
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21 Act."

22 2. By renumbering as necessary.

Amendment H-1584 was adopted.

Dix of Butler offered the following amendment H-1608 filed by him from the floor and moved its adoption:

### H-1608

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Amend House File 700 as follows:
1. Page 13, line 29, by inserting after the word
```

- "governor." the following: "However, commencing July 4 1, 2003, the consumer advocate shall receive an annual
- 5 salary in the same salary range as the chairperson and
- 6 members of the utilities board."
- 2. By renumbering as necessary.

Amendment H-1608 was adopted.

Frevert of Palo Alto offered amendment H-1605 filed by Murphy of Dubuque from the floor as follows:

```
Amend House File 700 as follows:
2
     1. Page 24, by inserting after line 9 the
    following:
     "Sec.___. Section 12D.1, unnumbered paragraph 1,
    Code 2003, is amended to read as follows:
     The general assembly finds that the general welfare
    and well-being of the state are directly related to
    educational levels and skills of the citizens of the
    state, and that a vital and valid public purpose is
10 served by the creation and implementation of programs
11 which encourage and make possible the attainment of
12 higher education by the greatest number of citizens of
13 the state. The state has limited resources to provide
14 additional programs for higher education funding and
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- 15 the continued operation and maintenance of the state's16 public institutions of higher education and the
- 17 general welfare of the citizens of the state will be
- 18 enhanced by establishing a program which allows
- 19 citizens of the state to invest money in a public
- 20 trust for future application to the payment of higher
- 21 education costs. The creation of the means of
- 22 encouragement for citizens to invest in such a program
- 23 represents the carrying out of a vital and valid
- 24 public purpose. In order to make available to the
- 25 citizens of the state an opportunity to fund future
- 26 higher education needs, it is necessary that a public
- 27 trust be established in which moneys may be invested
- 28 for future educational use. It is also necessary to
- 29 establish an endowment fund which may be funded with
- 30 public funds, among other sources, the income from
- 31 which will be made available to participants in the
- 32 trust to enhance their savings invested for the
- 33 payment of future higher education costs.
- 34 Sec.\_\_. Section 12D.1, subsections 5 and 13,
- 35 Code 2003, are amended by striking the subsections.
- 36 Sec.\_. Section 12D.2, subsections 4, 8, 10, 11,
- 37 and  $\overline{12}$ , Code 2003, are amended to read as follows:
- 38 4. Accept any grants, gifts, legislative
- 39 appropriations, and other moneys from the state, any
- 40 unit of federal, state, or local government, or any
- 41 other person, firm, partnership, or corporation which
- 42 the treasurer of state shall deposit into the
- 43 administrative fund, the endowment fund, or the
- 44 program fund.
- 45 8. Solicit and accept for the benefit of the
- 46 endowment fund gifts, grants, and other moneys,
- 47 including legislative appropriations and grants from
- 48 any federal, state, or local governmental agency.
- 49 10. Make payments to institutions of higher
- 50 education, participants, or beneficiaries pursuant to

- 1 participation agreements on behalf of beneficiaries.
- 2 11. Make refunds to participants upon the
- 3 termination of participation agreements and partial
- ${\color{red} 4} \quad \underline{nonqualified\ distributions\ to\ participants}\ pursuant\ to$
- 5 the provisions, limitations, and restrictions set
- 6 forth in this chapter.
- 7 12. Invest moneys from the endowment fund and the
- 8 program fund in any investments which are determined
- 9 by the treasurer of state to be appropriate.
- 10 Sec. . Section 12D.3, subsections 2 and 3, Code
- 11 2003, are amended to read as follows:
- 12 2. Beneficiaries designated in participation
- 13 agreements may be designated from date of birth up to,

- 14 but not including, their eighteenth birthday at any
- 15 age. A substitute beneficiary may be older than age
- 16 eighteen provided that the substitute beneficiary is
- 17 not older than the original beneficiary.
- 18 3. A participant's account balance shall be
- 19 refunded to the participant, less endowment fund
- 20 carnings, and less a refund penalty levied by the
- 21 trust against account balance earnings, if any, in the
- 22 event an account balance remains in the account for a
- 23 thirty day period following the beneficiary's
- 24 thirtieth birthday.
- 25 Sec.\_\_. Section 12D.4, Code 2003, is amended by
- 26 striking the section and inserting in lieu thereof the
- 27 following:
- 28 12D.4 PROGRAM AND ADMINISTRATIVE FUNDS -
- 29 INVESTMENT AND PAYMENTS.
- 30 1. The treasurer of state shall segregate moneys
- 31 received by the trust into two funds: the program
- 32 fund and the administrative fund.
- 33 2. All moneys paid by participants in connection
- 34 with participation agreements shall be deposited as
- 35 received into separate accounts within the program
- **36** fund.
- 37 3. Contributions to the trust made by participants
- 38 may only be made in the form of cash.
- 39 4. A participant or beneficiary shall not provide
- 40 investment direction regarding program contributions
- 41 or earnings held by the trust.
- 42 5. Moneys accrued by participants in the program
- 43 fund of the trust may be used for payments to any
- 44 institution of higher education. Payments may be made
- 45 to the institution, the participant, or the
- 46 beneficiary.
- 47 Sec.\_\_. Section 12D.5, Code 2003, is amended by
- 48 striking the section and inserting in lieu thereof the
- 49 following:
- 50 12D.5 CANCELLATION OF AGREEMENTS.

- 1 A participant may cancel a participation agreement
- 2 at will. Upon cancellation of a participation
- 3 agreement, a participant shall be entitled to the
- 4 return of the participant's account balance.
- 5 Sec.\_\_. Section 12D.6, subsection 3, Code 2003,
- 6 are amended by striking the subsection.
- 7 Sec.\_\_\_. Section 12D.9, subsection 1, paragraphs
- 8 c, d, and e, Code 2003, are amended to read as
- 9 follows:
- 10 c. Pursuant to section 12D.4, subsection 1,
- 11 paragraph "b" 2, a separate account is established for
- 12 each beneficiary.

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d. Pursuant to section 12D.4, subsection 1.
14 paragraph "f" 3, contributions may only be made in the
15 form of cash.
    e. Pursuant to section 12D.4, subsection 1,
17 paragraph "g" 4, a participant or beneficiary shall
18 not provide investment direction regarding program
19 contributions or earnings held by the trust.
    Sec.___. Section 12D.9, subsection 1, paragraph
21 f, Code 2003, is amended by striking the paragraph.
    Sec.___. Section 12D.9, subsection 2, Code 2003,
23 is amended to read as follows:
    2. State income tax treatment of the Iowa
25 educational savings plan trust shall be as provided in
26 section 422.7, subsections 32, and 33, and 34, and
   section 422.35, subsection 14.
    Sec.___. Section 12D.10, subsection 1, Code 2003,
29 is amended to read as follows:
    1. The assets of the trust, including the program
31 fund and the endowment fund, shall at all times be
32 preserved, invested, and expended solely and only for
   the purposes of the trust and shall be held in trust
34 for the participants and beneficiaries.
    Sec.__. Section 422.7, subsection 34, Code 2003,
35
36 is amended by striking the subsection.
37
    Sec.___. Section 422.35, subsection 14, Code
38 2003, is amended by striking the subsection."
    2. Page 46, by inserting after line 13 the
40 following:
        . The amendments to sections 12D.1, 12D.2,
41
42 12D.3, 12D.4, 12D.5, 12D.6, 12D.9, 12D.10, 422.7, and
43 422.35, which shall apply retroactively to January 1,
   2003, for tax years beginning on or after that date."
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Kramer of Polk rose on a point of order that amendment  $\underline{H-1605}$  was not germane.

The Speaker ruled the point well taken and amendment  $\underline{H-1605}$  not germane.

Elgin of Linn asked and received unanimous consent to withdraw amendment  $\underline{\text{H-1600}}$ , previously deferred, filed by him from the floor, placing out of order the following amendments to amendment  $\underline{\text{H-1600}}$ , filed from the floor:

```
Amendment \underline{\text{H-}1606} filed by Hogg of Linn.
Amendment \underline{\text{H-}1607} filed by Hogg of Linn.
Amendment \underline{\text{H-}1609} filed by Hogg of Linn.
Amendment \underline{\text{H-}1610} filed by Mertz of Kossuth.
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Gipp of Winneshiek asked and received unanimous consent that <u>House File 700</u> be deferred and that the bill retain its place on the calendar.

The House stood at ease at 3:47 p.m., until the fall of the gavel.

The House resumed session at 4:47 p.m., Jacobs of Polk in the chair.

## SENATE AMENDMENT CONSIDERED

Tjepkes of Webster called up for consideration <u>House File 595</u>, a bill for an act relating to certain voluntary annexations and to involuntary annexations and providing an effective date, amended by the Senate, and moved that the House concur in the following Senate amendment H-1579:

### H-1579

- 1 Amend House File 595, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 2, by striking lines 17 through 20 and
- 4 inserting the following: "However, the area of the
- 5 territory that is public land included without the
- 6 written consent of the agency with jurisdiction over
- 7 the public land may not be used to determine the
- 8 percentage of territory that is included with the
- 9 consent of the owner and without the consent of the
- 10 owner."

The motion prevailed and the House concurred in the Senate amendment  $\underline{H-1579}$ .

Tjepkes of Webster moved that the bill, as amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (H.F. 595)

The ayes were, 88:

AlonsArnoldBaudlerBellBoalBoddickerCarrollChambersConnorsDavittDe BoefDennis

Eichhorn Dix **Dolecheck** Drake Elgin Fallon Foege Ford Gaskill Frevert Freeman Gipp Greimann Greiner Hahn Granzow Hansen Hanson Heaton Heddens Hoffman Horbach Hogg Hunter Huser Hutter **Jenkins** Huseman Jochum Jones Klemme Kramer Kuhn Kurtenbach Lalk Lensing Lukan Lykam Maddox Mascher Miller Murphy Myers Mertz Olson, D. Olson, S. Osterhaus Paulsen Petersen Quirk Raecker Rants, Spkr. Rasmussen Rayhons Reasoner Roberts Shoultz Sands Schickel Smith Stevens Struyk Taylor, D. Taylor, T. Van Engelenhoven Upmeyer Tjepkes Tymeson Van Fossen, J.K. Van Fossen, J.R. Watts Whitaker Wilderdyke Winckler Wise Jacobs, Presiding

The nays were, 9:

Berry Cohoon Dandekar McCarthy Oldson Swaim Thomas Wendt

Whitead

Absent or not voting, 3:

Boggess Bukta Manternach

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

## HOUSE RECEDES

Heaton of Henry called up for consideration <u>House File 685</u>, a bill for an act relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund, amended by the House and moved that the House recede from its amendment.

The motion prevailed and the House recedes.

Heaton of Henry moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (H.F. 685)

The ayes were, 96:

Alons Baudler Bell Arnold Berry **Boal Boddicker Boggess** Dandekar Carroll Chambers Cohoon Davitt De Boef Dennis Dix Dolecheck Drake Elgin Fallon Foege Ford Freeman Frevert Gaskill Gipp Granzow Greimann Greiner Hahn Hansen Hanson Heddens Heaton Hoffman Hogg Horbach Hunter Huseman Huser Hutter Jenkins Jochum Jones Kramer Kuhn Kurtenbach Klemme Lalk Lensing Lukan Lykam Maddox Mascher McCarthy Mertz Miller Murphy Oldson Mvers Olson, D. Olson, S. **Osterhaus** Paulsen Quirk Rants, Spkr. Petersen Raecker Rasmussen Rayhons Reasoner Roberts Sands Schickel Shoultz Smith Taylor, D. Struyk Stevens Swaim Taylor, T. Thomas **Tjepkes** Tymeson Upmeyer Van Engelenhoven Van Fossen, J.K. Van Fossen, J.R. Watts Wendt Whitaker Whitead Wilderdyke Winckler Wise Jacobs, Presiding

The nays were, 1:

Eichhorn

Absent or not voting, 3:

Bukta Connors Manternach

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

## SENATE AMENDMENT CONSIDERED

Hansen of Pottawattamie called up for consideration <u>House File 543</u>, a bill for an act relating to the provision of certain information for insureds regarding external review of health care coverage decisions, amended by the Senate, and moved that the House concur in the following Senate amendment H-1567:

### H-1567

Amend House File 543, as passed by the House, as 1. By striking everything after the enacting clause and inserting the following: "Section 1. Section 514C.4, subsection 1, unnumbered paragraph 1, Code 2003, is amended to read as follows: A policy or contract providing for third-party payment or prepayment of health or medical expenses 10 shall provide minimum mammography examination 11 coverage, including, but not limited to, the following 12 classes of third-party payment provider contracts or policies delivered, issued for delivery, continued, or 14 renewed in this state on or after July 1, 1989: Sec. 2. Section 514C.4, subsection 2, paragraphs a 16 and c, Code 2003, are amended to read as follows: a. One baseline mammogram for any woman who is 18 thirty-five through thirty-nine years of age, or more 19 frequent mammograms if recommended by the woman's 20 physician. c. A mammogram every year for any woman who is 21 22 fifty years of age or older, or more frequently if 23 recommended by the woman's physician. Sec. 3. Section 514C.4, subsection 4, Code 2003, 25 is amended to read as follows: 4. The commissioner of insurance shall adopt rules 27 under chapter 17A necessary to implement this section 28 no later than July 1, 1989." 2. Title page, by striking lines 1 through 3 and 30 inserting the following: "An Act relating to minimum 31 mammography examination coverage, and making related 32 changes." 3. By renumbering, redesignating, and correcting 34 internal references as necessary.

The motion prevailed and the House concurred in the Senate amendment H-1567.

Hansen of Pottawattamie moved that the bill, as amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (H.F. 543)

The ayes were, 95:

Arnold	Baudler	Bell	Berry
Boal	Boddicker	Boggess	Carroll
Chambers	Cohoon	Dandekar	Davitt
De Boef	Dennis	Dix	Dolecheck
Drake	Eichhorn	Elgin	Fallon
Foege	Ford	Freeman	Frevert
Gaskill	Gipp	Granzow	Greimann
Greiner	Hahn	Hansen	Hanson
Heaton	Heddens	Hoffman	Hogg
Horbach	Hunter	Huseman	Huser
Hutter	Jenkins	Jochum	Jones
Klemme	Kramer	Kuhn	Kurtenbach
Lalk	Lensing	Lukan	Lykam
Maddox	Mascher	McCarthy	Mertz
Miller	Myers	Oldson	Olson, D.
Olson, S.	Osterhaus	Paulsen	Petersen
Quirk	Raecker	Rants, Spkr.	Rasmussen
Rayhons	Reasoner	Roberts	Sands
Schickel	Shoultz	Smith	Stevens
Struyk	Swaim	Taylor, D.	Taylor, T.
Thomas	Tjepkes	Tymeson	Upmeyer
Van Engelenhoven	Van Fossen, J.K.	Van Fossen, J.R.	Watts
Wendt	Whitaker	Whitead	Wilderdyke
Winckler	Wise	Jacobs,	
		Presiding	

The nays were, none.

Absent or not voting, 5:

Alons Bukta Connors Manternach

Murphy

The bill having received a constitutional majority was declared to have passed the House and the title, as amended, was agreed to.

## SENATE AMENDMENT CONSIDERED

Chambers of O'Brien called up for consideration <u>House File 549</u>, a bill for an act relating to the duties and operations of the department of education and school boards, amended by the Senate amendment H-1578 as follows:

- 1 Amend House File 549, as amended, passed, and
- 2 reprinted by the House, as follows:

1. Page 1, by inserting before line 1 the 5 "Section 1. Section 256.5A, Code 2003, is amended 6 to read as follows: 256.5A NONVOTING MEMBER. The governor shall appoint the one nonvoting R student member of the state board for a term of one year beginning and ending as provided in section 69.19. The nonvoting student member shall be appointed from a list of names submitted by the state 13 board of education. Students enrolled in either grade 14 ten or eleven in a public school may apply to the state board to serve as a nonvoting student member. 16 The department shall develop an application process 17 that requires the consent of the student's parent or guardian if the student is a minor, initial application approval by the school district in which 20 the student applicant is enrolled, and submission of approved applications by a school district to the department. The nonvoting student member's school district of enrollment shall notify the student's parents if the student's grade point average falls 24 25 during the period in which the student is a member of 26 the state board. The state board shall adopt rules 27 under chapter 17A specifying criteria for the 28 selection of applicants whose names shall be submitted 29 to the governor. Criteria shall include, but are not 30 limited to, academic excellence, participation in 31 extracurricular and community activities, and interest 32 in serving on the board. Rules adopted by the state 33 board shall also require, if the student is a minor, supervision of the student by the student's parent or 35 guardian while the student is engaged in authorized 36 state board business at a location other than the community in which the student resides, unless the 38 student's parent or guardian submits to the state board a signed release indicating the parent or guardian has determined that supervision of the 41 student by the parent or guardian is unnecessary. The 42 nonvoting student member shall be appointed without 43 regard to political affiliation appointment is not 44 subject to section 69.16 or 69.16A. The nonvoting student member shall have been enrolled in a public 46 school in Iowa for at least one year prior to the member's appointment. A nonvoting student member who 48 will not graduate from high school prior to the end of 49 a second term may apply to the state board for submission of candidacy to the governor for a second

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1 one-year term. A nonvoting student member shall be

- 2 paid a per diem as provided in section 7E.6 and the
- 3 student and the student's parent or guardian shall be
- 4 reimbursed for actual and necessary expenses incurred
- 5 in the performance of the student's duties as a
- 6 nonvoting member of the state board. A vacancy in the
- 7 membership of the nonvoting student member shall not
- 8 be filled until the expiration of the term.
- 9 Sec.\_\_\_. Section 256.7, subsection 21, unnumbered
- 10 paragraph 1, Code 2003, is amended to read as follows:
- 11 Develop and adopt rules by July 1, 1999,
- 12 incorporating accountability for, and reporting of,
- 13 student achievement into the standards and
- 14 accreditation process described in section 256.11.
- 15 The rules shall provide for all of the following:"
- 16 2. Page 1, by inserting after line 31 the
- 17 following:
- 18 "Sec.\_\_\_. Section 256.9, Code 2003, is amended by
- 19 adding the following new subsection:
- 20 <u>NEW SUBSECTION</u>. 53. Develop and implement a
- 21 statewide program of educational assessment reporting.
- 22 The director shall provide information needed to
- 23 improve public schools by collecting and disseminating
- 24 data and information resulting from assessments made
- 25 of public school students, to aid in the development
- 26 and evaluation of educational programs and policies by
- 27 school districts, and to inform parents of the
- 28 educational progress of their children in the public
- 29 schools. Information collected under the department's
- 30 statewide program of educational assessment reporting
- 31 shall be utilized as part of the state report card on
- 32 school performance and on statewide progress by the
- 33 state in accordance with implementation of the federal
- 55 State in accordance with implementation of the lederal
- 34 No Child Left Behind Act of 2001, Pub. L. No. 107-110.
  35 The program shall include the assignment of a unique
- 36 student identifier to each student attending
- 37 kindergarten through grade twelve.
- 38 a. Not later than July 1, 2004, the department
- 39 shall maintain an internet site that reports the
- 40 following:
- 41 (1) Iowa tests of basic skills scores for each
- 42 school district that administers the test and for each
- 43 attendance center within the school district for
- 44 grades three through eight. Each school district
- 45 administering the Iowa test of basic skills shall
- 46 provide a report to the department relating to each
- 47 attendance center's test score averages and a
- 48 longitudinal analysis of student progress as specified
- 49 in paragraph "c".
- 50 The report shall contain attendance-center-level

- 1 test results for the Iowa test of basic skills in the
- areas of reading, social studies, mathematics, and
- science. The report shall include, but shall not be
- limited to the number of students tested, the number
- of test results used to compute the averages, average
- 6 standard score, the corresponding grade equivalent
- 7 score, average stanine score for the group, and the
- 8 normal curve equivalent of average standard scores,
- and percentile ranks based on student norms, as well
- 10 as measures of student progress as specified in
- paragraph "c".
- 12 (2) Iowa test of educational development scores
- 13 for each school district that administers the test and
- for each attendance center within the school district
- 15 for grades nine through eleven. Each school district
- 16 administering the Iowa test of educational development
- 17 shall provide a report to the department relating to
- each attendance center's test score averages and a
- longitudinal analysis of student progress as specified
- 20 in paragraph "c".
- b. Scores required to be reported under paragraph 21
- 22 "a", subparagraphs (1) and (2), shall be presented in
- 23 percentiles that allow for comparisons between
- 24 participating schools. The internet site shall
- include background information regarding the tests,
- 26 including guidance for interpreting test scores and
- 27 the number of students that did not participate in the
- 28 tests and the reasons the students did not
- 29 participate.
- c. The department shall approve the use of a
- 31 single value-added system to calculate annually the
- amount of academic growth for each student, school, 33 and school district in reading and mathematics, and
- 34 other core academic areas where possible. The system
- 35 shall at a minimum contain the following capabilities:
- (1) Use of a mixed-model statistical analysis that
- 37 has the ability to use all achievement test data for
- each student, including the data for students with
- missing test scores, that does not adjust downward 40 expectations for student progress based on race,
- 41 poverty, or gender, and that will provide the best
- linear unbiased predictions of school or other
- educational entity effects to minimize the impact of 43
- fortuitous accumulation of random errors.
- (2) The ability to work with test data from a
- variety of sources, including data that are not
- vertically scaled, and to provide a variety of
- 48 analyses of such data.
- (3) The capacity to receive and report results
- 50 electronically and provide support for districts

- 1 utilizing the system.
- (4) The ability to create for each school district
- a chart that reports grade-equivalent scores for
- grades three through eight and gains between
- consecutive pairs of grades for each attendance center
- and provides for a district-wide study of grade
- equivalent scores. The system shall create a chart 7
- for each district in accordance with this
- subparagraph.
- 10 d. Each school district shall have complete access
- 11 to and utilization of its own value-added assessment
- 12 reports generated by the system at the student level
- 13 for the purpose of measuring student achievement at
- 14 different educational entity levels.
- Sec.\_\_\_. Section 256.18, subsection 2, unnumbered 15
- 16 paragraph 2, Code 2003, is amended by striking the
- 17 unnumbered paragraph.
- Sec.\_\_\_. Section 256.39, subsection 8, Code 2003, 18
- 19 is amended by striking the subsection.
- Sec.\_\_\_. Section 256A.4, subsection 1, unnumbered
- 21 paragraph 1, Code 2003, is amended to read as follows:
- The board of directors of each school district may
- 23 develop and offer a program which provides outreach
- 24 and incentives for the voluntary participation of
- expectant parents and parents of children in the
- 26 period of life from birth through age five, who reside
- within district boundaries, in educational family 28 support experiences designed to assist parents in
- 29 learning about the physical, mental, and emotional
- 30 development of their children. A district providing a
- 31 family support program, which seeks additional funding
- 32 under sections 294A.13 through 294A.16, shall meet the
- 33 requirements of this section and the program shall be
- 34 subject to approval by the department of education. A
- 35 board may contract with another school district or
- public or private nonprofit agency for provision of
- 37 the approved program or program site.
- Sec. 101. Section 256D.9, Code 2003, is amended to 38
- 39 read as follows: 40 256D.9 FUTURE REPEAL.
- 41 This chapter is repealed effective July 1, 2003
- 42 **2004**.
- Sec. 102. Section 257.3, subsection 2, Code 2003, 43
- 44 is amended to read as follows:
- 2. TAX FOR REORGANIZED AND DISSOLVED DISTRICTS.
- 46 a. Notwithstanding subsection 1, a reorganized
- 47 school district shall cause a foundation property tax
- 48 of four dollars and forty cents per thousand dollars
- 49 of assessed valuation to be levied on all taxable
- 50 property which, in the year preceding a

- 1 reorganization, was within a school district affected
- 2 by the reorganization as defined in section 275.1, or
- 3 in the year preceding a dissolution was a part of a
- 4 school district that dissolved if the dissolution
- 5 proposal has been approved by the director of the
- 6 department of education pursuant to section 275.55.
- 7 In the year preceding the reorganization or
- 8 dissolution, the school district affected by the
- 9 reorganization or the school district that dissolved
- 10 must have had a certified enrollment of fewer than six
- 11 hundred in order for the four dollar and forty cent
- 12 levy to apply.
- 13 <u>b.</u> In succeeding school years, the foundation
- 14 property tax levy on that portion shall be increased
- 15 to the rate of four dollars and ninety cents per
- 16 thousand dollars of assessed valuation the first
- 17 succeeding year, five dollars and fifteen cents per
- 18 thousand dollars of assessed valuation the second
- 19 succeeding year, and five dollars and forty cents per
- 20 thousand dollars of assessed valuation the third
- 21 succeeding year and each year thereafter.
- 2 c. The foundation property tax levy reduction
- 23 pursuant to this subsection shall be available if
- 24 either of the following apply:
- 25 (1) In the year preceding the reorganization or
- 26 dissolution, the school district affected by the
- 27 reorganization or the school district that dissolved
- 28 had a certified enrollment of fewer than six hundred
- 29 pupils.
- 30 (2) In the year preceding the reorganization or
- 31 <u>dissolution, the school district affected by the</u>
- 32 reorganization or the school district that dissolved
   33 had a certified enrollment of six hundred pupils or
- 34 greater, and entered into a reorganization or
- 35 dissolution with one or more school districts with a
- 36 certified enrollment of fewer than six hundred pupils.
- 37 The amount of foundation property tax reduction
- 38 received by a school district qualifying for the
- 39 reduction pursuant to this subparagraph shall not
- 40 exceed the highest reduction amount provided in
- 41 paragraphs "a" and "b" received by any of the school
- 42 districts with a certified enrollment of fewer than
- 43 six hundred pupils involved in the reorganization
- pursuant to subparagraph (1) of this paragraph "c".
- 45 <u>d.</u> For purposes of this section, a reorganized
- 46 school district is one which absorbs at least thirty
- 47 percent of the enrollment of the school district
- 48 affected by a reorganization or dissolved during a
- 49 dissolution and in which action to bring about a
- 50 reorganization or dissolution is initiated by a vote

- of the board of directors or jointly by the affected
- boards of directors to take effect on or after July 1,
- 2002, and on or before July 1, 2006. Each district
- which initiated, by a vote of the board of directors
- or jointly by the affected boards, action to bring
- about a reorganization or dissolution to take effect
- on or after July 1, 2002, and on or before July 1, 7
- 2006, shall certify the date and the nature of the
- action taken to the department of education by January
- 10 1 of the year in which the reorganization or
- 11 dissolution takes effect.
- Sec.\_\_\_. Section 257.11, subsection 2, paragraph 12
- 13 c, subparagraph (2), Code 2003, is amended to read as
- 14 follows:
- (2) A school district which was not participating 15
- 16 in a whole grade sharing arrangement during the budget
- year beginning July 1, 2000, which executes a whole
- grade sharing agreement pursuant to sections 282.10
- 19 through 282.12 for the budget year beginning July 1,
- 20 2002, er July 1, 2003, July 1, 2004, or July 1, 2005.
- 21 and which adopts a resolution jointly with the other
- 22 affected boards to study the question of undergoing a
- 23 reorganization or dissolution to take effect on or
- 24 before July 1, 2006, shall receive a weighting of one-
- 25 tenth of the percentage of the pupil's school day
- 26 during which the pupil attends classes in another
- 27 district, attends classes taught by a teacher who is
- 28 jointly employed under section 280.15, or attends
- 29 classes taught by a teacher who is employed by another
- school district. A district shall be eligible for
- 31 supplementary weighting pursuant to this subparagraph
- for a maximum of three years. Receipt of
- 33 supplementary weighting for a second and third year
- 34 shall be conditioned upon submission of information
- 35 resulting from the study to the school budget review
- 36 committee indicating progress toward the objective of
- 37 reorganization on or before July 1, 2006.
- Sec.\_\_\_. Section 258.17, subsection 4, Code 2003, 38
- 39 is amended to read as follows:
- 40 4. Each workstart program shall include a written
- agreement by the school or school district with one or
- more businesses from the surrounding community to
- 43 provide workplace-specific training and learning
- 44 programs which are related to the skills needed to
- 45 succeed in those occupational areas. The proposed
- 46 plan for implementation of the workstart program shall
- include a copy of the written agreement between the
- 48 school or school district and the business or
- 49 businesses and a business support component, which
- 50 shall consist of financial or in-kind support, or both

- 1 financial and in-kind support, from the businesses
- 2 that have entered into the agreement with the school
- 3 or school district. The plan may provide for the
- 4 utilization of phase III and other available school
- 5 funds in the establishment of the program. A
- 6 workstart program is a comprehensive school
- 7 transformation program under section 294A.14.
- 8 Sec.\_\_\_. Section 262.9, Code 2003, is amended by
- 9 adding the following new subsection:
- 10 NEW SUBSECTION. 29. Develop a policy, not later
- 11 than August 1, 2003, that each institution of higher
- 12 education under the control of the board shall
- 13 approve, institute, and enforce, which prohibits
- 14 students, faculty, and staff from harassing or
- 15 intimidating a student or any other person on
- 16 institution property who is wearing the uniform of, or
- 17 a distinctive part of the uniform of, the armed forces
- 18 of the United States. A policy developed in
- 19 accordance with this subsection shall not prohibit an
- 20 individual from wearing such a uniform on institution
- 21 property if the individual is authorized to wear the
- 22 uniform under the laws of a state or the United
- 23 States. The policy shall provide for appropriate
- 24 sanctions.
- 25 Sec.\_\_\_. Section 272.2, subsection 14, paragraph
- 26 b, subparagraph (1), subparagraph subdivision (b),
- 27 Code 2003, is amended by adding the following new
- 28 subparagraph subdivision part:
- 29 <u>NEW SUBPARAGRAPH SUBDIVISION PART</u>. (viii) Sexual
- 30 exploitation by a school employee.
- 31 Sec.\_\_\_. Section 272.2, Code 2003, is amended by
- 32 adding the following new subsection:
- 33 NEW SUBSECTION. 17. Adopt criteria for
- 34 administrative endorsements that allow a person to
- 35 achieve the endorsement authorizing the person to
- 36 serve as an elementary or secondary principal without
- 37 regard to the grade level at which the person accrued
- 38 teaching experience.
- 39 Sec.\_\_. NEW SECTION. 272.15 SCHOOL REPORTING
- 40 REQUIREMENT.
- 41 The board of directors of a school district or area
- 42 education agency, the superintendent of a school
- 43 district or the chief administrator of an area
- 44 education agency, and the authorities in charge of a
- 45 nonpublic school shall report to the board the
- 46 nonrenewal or termination, for reasons of alleged or
- 47 actual misconduct, of a person's contract executed
- 48 under sections 279.12, 279.13, 279.15 through 279.21,
- 49 279.23, and 279.24, and the resignation of a person
- 50 who holds a license, certificate, or authorization

- 1 issued by the board as a result of or following an
- 2 incident or allegation of misconduct that, if proven,
- 3 would constitute a violation of the rules adopted by
- 4 the board to implement section 272.2, subsection 14,
- 5 paragraph "b", subparagraph (1), when the board or
- 6 reporting official has a good faith belief that the
- 7 incident occurred or the allegation is true.
- 8 Information reported to the board in accordance with
- 9 this section is privileged and confidential, and,
- 10 except as provided in section 272.13, is not subject
- 11 to discovery, subpoena, or other means of legal
- 12 compulsion for its release to a person other than the
- 13 respondent and the board and its employees and agents
- 14 involved in licensee discipline, and is not admissible
- 15 in evidence in a judicial or administrative proceeding
- 16 other than the proceeding involving licensee
- 17 discipline. The board shall review the information
- 18 reported to determine whether a complaint should be
- 19 initiated. In making that determination, the board
- 20 shall consider the factors enumerated in section
- 21 272.2, subsection 14, paragraph "a". For purposes of
- 22 this section, unless the context otherwise requires,
- 23 "misconduct" means an action disqualifying an
- 24 applicant for a license or causing the license of a
- 25 person to be revoked or suspended in accordance with
- 26 the rules adopted by the board to implement section
- 27 272.2, subsection 14, paragraph "b", subparagraph
- 28 (1)."
- 29 3. Page 3, line 15, by striking the word
- 30 "ordinary" and inserting the following: "certified".
- 31 4. By striking page 10, line 10, through page 11,
- 32 line 1.
- 33 5. Page 11, by striking lines 2 through 15.
- 34 6. Page 11, by inserting before line 16, the
- 35 following:
- 36 "Sec.\_\_\_. Section 279.13, Code 2003, is amended
- 37 by adding the following new subsection:
- 38 NEW SUBSECTION. 4. Notwithstanding the other
- 39 provisions of this section, a temporary contract may
- 40 be issued to a teacher to fill a vacancy created by a
- 41 leave of absence in accordance with the provisions of
- 42 section 29A.28, which contract shall automatically
- 43 terminate upon return from military leave of the
- 44 former incumbent of the teaching position and which
- 45 contract shall not be subject to the provisions of
- 46 sections 279.15 through 279.19, or section 279.27. A
- 47 separate extracurricular contract issued pursuant to
- 48 section 279.19A to a person issued a temporary
- 49 contract under this section shall automatically
- 50 terminate with the termination of the temporary

1 contract as required under section 279.19A, subsection 2 Sec.\_\_\_. Section 279.23, Code 2003, is amended by 3 adding the following new unnumbered paragraph: 4 NEW UNNUMBERED PARAGRAPH. Notwithstanding the 6 other provisions of this section, a temporary contract may be issued to an administrator to fill a vacancy created by a leave of absence in accordance with the provisions of section 29A.28, which contract shall 10 automatically terminate upon return from military leave of the former incumbent of the administrator 12 position and which contract shall not be subject to the provisions of sections 279.24 and section 279.25." 7. Page 12, by inserting after line 20 the 15 following: 16 "Sec. 103. Section 282.18, subsection 3, Code 17 2003, is amended to read as follows: 3. In all districts involved with voluntary or 18 court-ordered desegregation, minority and nonminority pupil ratios shall be maintained according to the desegregation plan or order. The superintendent of a 21 22 district subject to voluntary or court-ordered 23 desegregation may deny a request for transfer under 24 this section if the superintendent finds that enrollment or release of a pupil will adversely affect 26 the district's implementation of the desegregation order or plan, unless the transfer is requested by a 28 pupil whose sibling is already participating in open enrollment to another district, or unless the request 29 for transfer is submitted to the district in a timely 31 manner as required under subsection 2 prior to the adoption of a desegregation plan by the district. If 33 a transfer request would facilitate a voluntary or 34 court-ordered desegregation plan, the district shall 35 give priority to granting the request over other 36 requests. A parent or guardian, whose request has been denied 37 because of a desegregation order or plan, may appeal the decision of the superintendent to the board of the district in which the request was denied. The board 41 may either uphold or overturn the superintendent's decision. A decision of the board to uphold the denial of the request is subject to appeal to the 44 district court in the county in which the primary 45 business office of the district is located. By July 46 1, 2004, the state board of education shall adopt rules establishing guidelines and a review process for 48 school districts that adopt voluntary desegregation

plans. The guidelines shall include criteria and standards that school districts must follow when

- 1 <u>developing a voluntary desegregation plan. The</u>
- 2 department of education shall provide technical
- 3 <u>assistance to a school district that is seeking to</u>
- 4 adopt a voluntary desegregation plan. A school
- district implementing a voluntary desegregation plan
- 6 prior to July 1, 2004, shall have until July 1, 2006,
- 7 to comply with guidelines adopted by the state board
- 8 pursuant to this section.
- 9 Sec.\_\_\_. Section 282.18, subsection 7, Code 2003,
- 10 is amended to read as follows:
- 11 7. A pupil participating in open enrollment shall
- 12 be counted, for state school foundation aid purposes,
- 13 in the pupil's district of residence. A pupil's
- 14 residence, for purposes of this section, means a
- 15 residence under section 282.1. The board of directors
- 16 of the district of residence shall pay to the
- 17 receiving district the state cost per pupil for the
- 8 previous school year, plus any moneys received for the
- 19 pupil as a result of the non-English speaking
- 20 weighting under section 280.4, subsection 3, for the
- 21 previous school year multiplied by the state cost per
- 22 pupil for the previous year. The district of
- 23 residence shall also transmit the phase III moneys
- 24 allocated to the district for the previous year for
- 25 the full time equivalent attendance of the pupil, who
- 26 is the subject of the request, to the receiving
- 27 district specified in the request for transfer. If
- 28 the pupil participating in open enrollment is also an
- 29 eligible pupil under chapter 261C, the receiving
- 30 district shall pay the tuition reimbursement amount to
- 31 an eligible postsecondary institution as provided in
- 32 section 261C.6."
  - 8. Page 16, line 1, by striking the words
- 34 "teacher's supervisor" and inserting the following:
- 35 "teachers's supervisor and the".
- 36 9. Page 18, by striking lines 25 and 26 and
- 37 inserting the following:
- 38 "Sec.\_\_\_. Section 284.11, subsections 1 and 6,
- 39 Code 2003, are amended to read as follows:
- 40 1. It is the intent of the general assembly to
- 41 create a statewide team-based variable pay program to
- 42 reward individual attendance centers for improvement
- 43 in student achievement. A pilot program is
- 44 established to give Iowa school districts with one or
- 45 more participating attendance centers the opportunity
- 46 to explore and demonstrate successful methods to
- 47 implement team-based variable pay and to compare
- 48 student achievement gains in school districts
- 49 participating in the program with gains in school
- 50 districts similar in nature that are not participating

- 1 in the program. The department shall develop and
- 2 administer the pilot program and shall provide
- 3 technical assistance in the areas of goal setting and
- 4 student assessments to school districts approved to
- participate in the pilot program. Preference shall be
- 6 given to school districts that were previously
- 7 approved to participate in a pilot program
- 8 administered by the department in accordance with this
- 9 section. Each school district approved by the
- 10 department to participate in the pilot program shall
- 11 administer valid and reliable standardized assessments
- 12 at the beginning and end of the school year to
- 13 demonstrate growth in student achievement.
- 14 6. A district electing to initiate a team-based
- 15 variable pay plan according to this section during the
- 16 school year beginning July 1, 2001 2003, shall notify
- 17 the department of its election in writing no later
- 18 than August 1, 2001 2003. The department shall
- 19 certify the school district plan by October 1, <del>2001</del>
- 20 2003."
- 21 10. Page 18, by inserting before line 27 the
- 22 following:
- 23 "Sec.\_\_\_. Section 285.5, subsection 9, Code 2003,
- 24 is amended to read as follows:
- 9. All bus drivers, except substitute and part-
- 26 <u>time bus drivers</u>, for school-owned equipment shall be
- 27 under contract with the board. The director of the
- 28 department of education shall prepare a uniform
- 29 contract containing provision not in conflict with
- 30 this chapter which shall be used by all school boards
- 31 in contracting with drivers of school-owned vehicles."
- 32 11. Page 19, by inserting after line 7 the
- 33 following:
- 34 "Sec.\_\_. Section 294A.1, unnumbered paragraph 1,
- 35 Code 2003, is amended to read as follows:
- 36 The purpose of this chapter is to promote
- 37 excellence in education. In order to maintain and
- 38 advance the educational excellence in the state of
- $39\;\;$  Iowa, this chapter establishes the Iowa educational
- $40\ \ excellence$  program. The program shall consist of
- 41 three  $\underline{two}$  major phases addressing the following:
- 42 Sec.\_\_\_. Section 294A.1, subsection 3, Code 2003,
- 43 is amended by striking the subsection.44 Sec. . Section 294A.3, unnumbered par
- 44 Sec. Section 294A.3, unnumbered paragraph 2,
- 45 Code 2003, is amended by striking the unnumbered 46 paragraph.
- 47 Sec. . Section 294A.22, unnumbered paragraph 3,
- 48 Code 2003, is amended to read as follows:
- 49 Payments made to a teacher by a school district or
- 50 area education agency under this chapter are wages for

- 1 the purposes of chapter 91A except for payments made
- 2 under an approved phase III plan where a modified
- B payment plan has either been mutually agreed upon by
- 4 the board of directors and the certified bargaining
- 5 representative for certificated employees or for a
- 6 district that is not organized for collective
- 7 bargaining purposes where a modified payment plan is
- 8 adopted by the board."
- 9 12. Page 19, by striking lines 8 through 32.
- 10 13. Page 19, by inserting before line 33 the
- 11 following:
- 12 "Sec.\_\_\_. Section 321.375, subsection 2,
- 13 unnumbered paragraph 1, Code 2003, is amended to read
- 14 as follows:
- 15 Any of the following shall constitute grounds for a
- 16 school bus driver's immediate suspension from duties,
- 17 pending a termination hearing by the board of
- 18 directors of a public school district or the
- 19 authorities in charge in a nonpublic school if the bus
- 20 driver is under contract, pending confirmation of the
- 21 grounds by the school district or accredited nonpublic
- 22 school if the bus driver is a part-time or substitute
- 23 <u>bus driver who is not under contract, or pending</u>
- 24 confirmation of the grounds by the employer of the
- 25 school bus driver if the employer is not a school
- 26 <u>district or accredited nonpublic school by the board:</u>
- 27 Sec.\_\_. Section 321.375, subsection 2, Code
- 28 2003, is amended by adding the following new
- 29 paragraph:
- 30 NEW PARAGRAPH. e. A change in circumstances
- 31 indicating that the driver is no longer physically or
- 32 mentally competent. For the purpose of an insulin-
- 33 dependent diabetic, a change in circumstances includes
- 34 the following:
- 35 (1) Results of a glycosylated hemoglobin test
- 36 indicating values less than 6.0 percent or greater
- 37 than 9.5 percent unless accompanied by the required
- 38 medical opinion that the event was incidental and not
- $39\,\,$  an indication of failure to control glucose levels.
- 40 (2) Results of self-monitoring indicate glucose
- 41 levels less than one hundred milligrams per deciliter
- 42 or greater than three hundred milligrams per
- 43 deciliter, until self-monitoring indicates compliance
- 44 with specifications.
- 45 (3) Experiencing a loss of consciousness or
- 46 control relating to diabetes.
- 47 (4) Failing to maintain or falsifying the required
- 48 reports.
- 49 Sec. . Section 321.375, Code 2003, is amended
- 50 by adding the following new subsection:

- 1 <u>NEW SUBSECTION</u>. 3. a. Notwithstanding any
- 2 provision to the contrary, an insulin-dependent
- 3 diabetic may qualify under subsection 1, paragraph
- 4 "d", for purposes of operating a school bus under this
- 5 section if a person identified by federal or state law
- 6 as authorized to perform physical examinations
- 7 annually provides a signed statement indicating that
- 8 based upon an annual physical examination the
- 9 individual is physically able to perform the required
- 10 functions despite insulin dependency. The insulin-
- 11 dependent diabetic shall not qualify to operate a
- 12 school bus if, at minimum, the individual results of a
- 13 glycosylated hemoglobin test indicate values less than
- 14 6.0 percent or greater than 9.5 percent on other than
- 15 an incidental basis and not as a result of failure to
- 16 control glucose levels. The statement shall also
- 17 indicate that within the past three years the insulin-
- 18 dependent diabetic has completed instruction to
- 19 address diabetes management and driving safety, signs
- 20 and symptoms of hypoglycemia and hyperglycemia, and
- 21 what procedures must be followed if complications
- 22 arise.
- 23 b. A school district or authorities in charge of
- 24 the nonpublic school that employs or otherwise secures
- 25 the services of an individual with an authorization
- 26 who is an insulin-dependent diabetic shall monitor the
- 27 insulin-dependent diabetic to determine that they are
- 28 in compliance with all of the following:
- 29 (1) Self-monitoring blood glucose and
- 30 demonstrating conformance with requirements, more than
- 31 one hundred milligrams per deciliter and less than
- 32 three hundred milligrams per deciliter, within one
- 33 hour before driving a school bus and approximately
- 34 every four hours while on duty using a United States
- 35 food and drug administration approved device.
- 36 (2) Reporting immediately to the school district
- 37 or school any failure to comply with specific glucose
- 38 level requirements as listed in subparagraph (1) or
- 39 loss of consciousness or control.
- 40 (3) Carrying a source of readily absorbable, fast-
- 41 acting glucose while on duty.
- 42 (4) Maintaining a daily log of all glucose test
- 43 results for the previous six-month period and
- 44 providing copies to the school district or school, the
- 45 examining physician, and the department of education
- 46 upon request.
- 47 (5) Submitting all required department of
- 48 education forms within the prescribed timelines."
- 49 14. Page 20, by inserting after line 7 the
- 50 following:

- "Sec.\_\_\_. Section 331.909, subsection 2, Code
- 2003, is amended to read as follows:
- 2. The activities of a multidisciplinary community
- services team shall not duplicate the activities of a
- multidisciplinary team for child abuse under section
- 6 235A.13, dependent adult abuse activities under
- 7 section 235B.6, area education agency activities under
- section 294A.14, or child victim services provided
- 9
- under section 915.35.
- Sec.\_\_\_. Section 614.1, subsection 12, Code 2003, 10
- 11 is amended to read as follows:
- 12. SEXUAL ABUSE OR SEXUAL EXPLOITATION BY A 12
- 13 COUNSELOR, OR THERAPIST, OR SCHOOL EMPLOYEE. An
- 14 action for damages for injury suffered as a result of
- 15 sexual abuse, as defined in section 709.1, by a
- 16 counselor, or therapist, or school employee, as
- 17 defined in section 709.15, or as a result of sexual
- 18 exploitation by a counselor, or therapist, or school
- 19 employee shall be brought within five years of the
- 20 date the victim was last treated by the counselor or
- 21 therapist, or within five years of the date the victim
- 22 was last enrolled in or attended the school.
- 23 Sec.\_\_\_. Section 692A.1, subsection 10, Code
- 24 2003, is amended to read as follows:
- 10. "Sexual exploitation" means sexual
- 26 exploitation by a counselor, or therapist, or school
- 27 employee under section 709.15.
- Sec.\_\_\_. Section 702.11, subsection 2, paragraph
- 29 d, Code 2003, is amended to read as follows:
- d. Sexual exploitation by a counselor, or
- 31 therapist, or school employee in violation of section
- 709.15. 32
- 33 Sec. . Section 709.15, Code 2003, is amended to
- 34 read as follows:
- 709.15 SEXUAL EXPLOITATION BY A COUNSELOR, OR
- THERAPIST, OR SCHOOL EMPLOYEE.
- 1. As used in this section: 37
- a. "Counselor or therapist" means a physician, 38
- 39 psychologist, nurse, professional counselor, social
- 40 worker, marriage or family therapist, alcohol or drug
- counselor, member of the clergy, or any other person,
- whether or not licensed or registered by the state,
- 43 who provides or purports to provide mental health
- 44 services.
- 45 b. "Emotionally dependent" means that the nature
- 46 of the patient's or client's or former patient's or
- client's emotional condition or the nature of the
- 48 treatment provided by the counselor or therapist is
- 49 such that the counselor or therapist knows or has
- 50 reason to know that the patient or client or former

- patient or client is significantly impaired in the
- ability to withhold consent to sexual conduct, as
- described in paragraph "f" subsection 2, by the
- counselor or therapist.
- For the purposes of paragraph "f" subsection 2, a
- former patient or client is presumed to be emotionally 6
- 7 dependent for one year following the termination of
- the provision of mental health services.
  - c. "Former patient or client" means a person who
- 10 received mental health services from the counselor or
- 12 d. "Mental health service" means the treatment,
- 13 assessment, or counseling of another person for a
- cognitive, behavioral, emotional, mental, or social
- 15 dysfunction, including an intrapersonal or
- 16 interpersonal dysfunction.
- 17 e. "Patient or client" means a person who receives
- 18 mental health services from the counselor or
- 19 therapist.
- 20 f. "School employee" means a practitioner as
- defined in section 272.1. 21
- g. "Student" means a person who is currently
- 23 enrolled in or attending a public or nonpublic
- 24 elementary or secondary school, or who was a student
- enrolled in or attended a public or nonpublic
- 26 elementary or secondary school within thirty days of
- 27 any violation of subsection 3.
- f. 2. "Sexual Sexual exploitation by a counse lor
- 29 or therapist" therapist occurs when any of the
- following are found:
- 31 (1) a. A pattern or practice or scheme of conduct
- 32 to engage in any of the conduct described in
- subparagraph (2) or (3) paragraph "b" or "c".
- (2) b. Any sexual conduct, with an emotionally
- 35 dependent patient or client or emotionally dependent
- former patient or client for the purpose of arousing
- or satisfying the sexual desires of the counselor or 37 38 therapist or the emotionally dependent patient or
- 39 client or emotionally dependent former patient or
- 40 client, which includes but is not limited to the
- following: kissing; touching of the clothed or
- unclothed inner thigh, breast, groin, buttock, anus, 43
- pubes, or genitals; or a sex act as defined in section
- 44 702.17.
- 45 (3) c. Any sexual conduct with a patient or client
- 46 or former patient or client within one year of the
- termination of the provision of mental health services
- 48 by the counselor or therapist for the purpose of
- 49 arousing or satisfying the sexual desires of the
- 50 counselor or therapist or the patient or client or

- 1 former patient or client which includes but is not
- 2 limited to the following: kissing; touching of the
- 3 clothed or unclothed inner thigh, breast, groin,
- 4 buttock, anus, pubes, or genitals; or a sex act as
- 5 defined in section 702.17.
- 6 "Sexual Sexual exploitation by a counselor or
- 7 therapist" therapist does not include touching which
- 8 is part of a necessary examination or treatment
- 9 provided a patient or client by a counselor or
- 10 therapist acting within the scope of the practice or
- 11 employment in which the counselor or therapist is
- 12 engaged.
- 13 <u>3. Sexual exploitation by a school employee occurs</u>
- 14 when any of the following are found:
- 15 a. A pattern or practice or scheme of conduct to
- 16 engage in any of the conduct described in paragraph
- 17 <u>"b".</u>
- 18 b. Any sexual conduct with a student for the
- 19 purpose of arousing or satisfying the sexual desires
- 20 of the school employee or the student. Sexual conduct
- 21 includes but is not limited to the following:
- 22 kissing; touching of the clothed or unclothed inner
- 23 thigh, breast, groin, buttock, anus, pubes, or
- 24 genitals; or a sex act as defined in section 702.17.
- 25 Sexual exploitation by a school employee does not
- 26 include touching that is necessary in the performance
- 27 of the school employee's duties while acting within
- 28 the scope of employment.
- 29 2. 4. a. A counselor or therapist who commits
- 30 sexual exploitation in violation of subsection 12,
- 31 paragraph "f" "a", subparagraph (1), commits a class
- 32 "D" felony.
- 33 3. b. A counselor or therapist who commits sexual
- 34 exploitation in violation of subsection 4 2, paragraph
- 35 "f" b", subparagraph (2), commits an aggravated
- 36 misdemeanor.
- 37  $4 \cdot \underline{c}$ . A counselor or therapist who commits sexual
- 38 exploitation in violation of subsection 1  $\underline{2}$ , paragraph
- 39 "f" "c", subparagraph (3), commits a serious
- 40 misdemeanor. In lieu of the sentence provided for
- 41 under section 903.1, subsection 1, paragraph "b", the
- 2 offender may be required to attend a sexual abuser
- 43 treatment program.
- 44 <u>5. a. A school employee who commits sexual</u>
- 45 exploitation in violation of subsection 3, paragraph
- 46 <u>"a", commits a class "D" felony.</u>
- 47 <u>b. A school employee who commits sexual</u>
- 48 exploitation in violation of subsection 3, paragraph
- 49 "b", commits an aggravated misdemeanor.
- 50 Sec.\_\_\_. Section 802.2A, subsection 2, Code 2003,

- is amended to read as follows:
- 2. An indictment or information for sexual
- exploitation by a counselor, or therapist, or school
- employee under section 709.15 committed on or with a
- person who is under the age of eighteen shall be found
- within ten years after the person upon whom the
- 7 offense is committed attains eighteen years of age.
- An information or indictment for any other sexual
- exploitation shall be found within ten years of the
- 10 date the victim was last treated by the counselor or
- 11 therapist, or within ten years of the date the victim
- 12 was enrolled in or attended the school.
- Sec.\_\_\_. Section 903B.1, subsection 4, paragraph 13
- 14 h, Code 2003, is amended to read as follows:
- h. Sexual exploitation by a counselor in violation 15
- 16 of section 709.15."
- 17 15. Page 21, by inserting after line 25 the
- 18 following:
- "Sec. 104. READING INSTRUCTION PILOT PROGRAM.
- 20 1. Recognizing the state's goals of assisting
- 21 children to grow, develop, and learn to their fullest
- extent, empowering students in grades kindergarten
- 23 though eight to become good readers, and supporting
- 24 student achievement and overall academic performance,
- 25 and recognizing the importance of instructional
- 26 methodologies and strategies for reading, a reading
- instruction pilot program is established. The
- 28 objective of the program shall be to improve student
- 29 reading achievement and provide interventions needed
- to assist struggling readers by increasing teacher
- 31 capacity to provide reading instruction.
- 2. The program shall be established for the school
- 33 year beginning July 1, 2003, in a school district with
- 34 an enrollment of at least six hundred pupils in grades
- 35 kindergarten through twelve, or in two or more school
- districts, each with enrollments of less than six
- 37 hundred pupils in grades kindergarten through twelve,
- 38 jointly participating in the program and with a
- 39 combined enrollment of at least six hundred pupils in
- 40 grades kindergarten through twelve. The program shall
- involve the implementation of systematic intensive
- phonics reading instruction and direct instruction for
- 43 students up to and including the eighth grade. The
- 44 program shall meet the standards set forth by the
- 45 United States department of education's national 46 institute for literacy, which has identified the five
- areas of successful reading instruction as phonemic
- 48 awareness, phonics, fluency, vocabulary, and text
- 49 comprehension.
  - 3. The program shall offer training and ongoing

- 1 support for participating teachers and provide
- 2 continuous formal and informal student assessment to
- 3 demonstrate results. Teachers in the school district
- 4 or group of districts selected shall, prior to the
- beginning of classes for the school year beginning
- 6 July 1, 2003, participate in an in-service training
- 7 program to prepare for implementation of the program.
- 8 The in-service training shall include education and
- 9 training in curriculum content and methods of
- 10 instruction relating to systematic intensive phonics
- 11 reading instruction and direct instruction, student
- 12 assessment procedures and techniques, and effective
- 13 interventions to address specific reading
- 14 difficulties, and shall continue on an ongoing basis
- 15 throughout the school year.
- 16 4. The program shall be administered by the
- 17 department of education. The department shall provide
- 18 notice to school districts regarding the existence of
- 19 the program, shall provide technical assistance
- 20 regarding application submission and information
- 21 regarding program objectives and operation, and shall
- 22 provide program implementation assistance to the
- 23 school district or group of districts selected. A
- 24 school district or group of districts wishing to
- 25 participate shall submit an application to the
- 26 department and the department shall, before July 1,
- 27 2003, select a school district or group of districts
- 28 for participation in the pilot program. In the
- 29 application the school district or group of districts
- 30 shall propose a districtwide plan for effective
- 31 reading interventions involving an approach to
- 32 beginning reading instruction and boosting the reading
- 33 levels of students using systematic intensive phonics
- 34 instruction and direct instruction. A school district
- 35 submitting an application shall also indicate a
- 36 willingness to provide faculty committed to
- 37 implementation of the program and participation in the
- 38 in-service training, and shall include a plan for
- $39 \quad conducting \ pretesting \ and \ posttesting \ to \ demonstrate$
- 40 results. The department shall select for
- 41 participation a school district or group of districts,
- 42 after consultation with the chairpersons and ranking
- 43 members of the senate and house standing committees on
- 44 education, which demonstrates an ability to implement
- 45 program requirements and adhere to the national
- 46 institute for literacy standards.
- 47 5. Upon completion of the pilot program, the
- 48 school district shall submit a report to the
- 49 department regarding the impact of the program on
- 50 student academic achievement. The department shall

- 1 prepare a report summarizing these results, and
- 2 comparing them to student academic achievement gains
- 3 in similar school districts that did not participate
- 4 in the program. The department report shall include
- 5 recommendations for statewide implementation of the
- 6 pilot program, and shall be submitted to the
- 7 chairpersons and ranking members of the senate and
- 8 house standing committees on education by December 15,
- 9 2004.
- 10 6. The establishment of the program pursuant to
- 11 this section shall be contingent upon an appropriation
- 12 for purposes of the program for the fiscal year
- 13 beginning July 1, 2003, and ending June 30, 2004.
- 14 Funds provided to the school district or group of
- 15 districts selected shall be used by the district or
- 16 group of districts to provide stipends and travel
- 17 expense payments during the summer teacher in-service
- 18 training, ongoing training and support during the
- 19 school year, expense payments relating to data
- 20 collection, and payments for the costs of reading
- 21 instruction relating to the program."
- 22 16. Page 21, by striking line 26 and inserting
- 23 the following:
- 24 "Sec.\_\_\_. Sections 294A.12 through 294A.20, and
- 25 294A.23, Code 2003, are".
- 26 17. Page 21, by inserting after line 27 the
- 27 following:
- 28 "Sec.\_\_\_. EFFECTIVE DATES.
- 29 1. Section 101 of this Act, relating to the repeal
- 30 of chapter 256D, being deemed of immediate importance
- 1 takes effect upon enactment.
- 32 2. Section 102 of this Act, relating to school
- 33 reorganization incentives, being deemed of immediate
- 34 importance, takes effect upon enactment.
- 35 3. Section 104 of this Act, relating to a reading
- 36 instruction pilot program, being deemed of immediate
- 37 importance, takes effect upon enactment.
- 38 Sec.\_\_. EFFECTIVE AND RETROACTIVE APPLICABILITY
- 39 PROVISION. Section 103 of this Act, relating to a
- 40 request for open enrollment submitted to a district
- $41 \quad prior \ to \ the \ district's \ adoption \ of \ a \ desegregation$
- 42 plan, being deemed of immediate importance, takes
- 43 effect upon enactment and applies retroactively to
- 44 July 1, 2002, for open enrollment transfer requests
- 45 received by a school district on or after July 1,
- 46 2002."
- 47 18. Title page, by striking line 2, and inserting
- 48 the following: "education, the board of educational
- 49 examiners, the state board of regents and its
- 50 universities, and school boards, and to property tax

- 1 school reorganization incentives; requiring the
- 2 establishment of a reading instruction pilot program;
- 3 and including effective and retroactive applicability
- 4 date provisions."
- 5 19. By renumbering, redesignating, and correcting
- 6 internal references as necessary.

Wise of Lee offered the following amendment  $\underline{H-1603}$ , to the Senate amendment  $\underline{H-1578}$ , filed by him from the floor and moved its adoption:

### H-1603

- Amend the Senate amendment, H-1578, to House File
- 549, as amended, passed, and reprinted by the House,
- 1. Page 11, by striking line 24 and inserting the
- following: "is amended by striking the subsection."
- 2. Page 11, by striking lines 25 through 31.
- 3. Page 12, by striking lines 20 through 26 and  $\,$
- inserting the following: "<u>driver is employed by the school district or accredited nonpublic school, or</u>
- 10 pending confirmation of the carrier who employs the
- 11 bus driver and who provides transportation under a
- 12 contract with the public school under section 285.5:

## Amendment <u>H-1603</u> lost.

Gipp of Winneshiek asked and received unanimous consent that House File 549 be deferred and that the bill retain its place on the calendar. (Senate amendment H-1578 pending)

# **IMMEDIATE MESSAGES**

Gipp of Winneshiek asked and received unanimous consent that the following bills be immediately messaged to the Senate: House Files 543, 595 and 685.

#### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on May 1, 2003, passed the following bill in which the concurrence of the Senate was asked:

<u>House File 674</u>, a bill for an act relating to income tax deductions and exemptions for military service personnel and organizations, and including effective and applicability date provisions.

Also: That the Senate has on May, 1, 2003, passed the following bill in which the concurrence of the Senate was asked:

<u>House File 676</u>, a bill for an act establishing a veterans trust fund under the control of the commission of veterans affairs and providing a contingent appropriation.

Also: That the Senate has on May 1, 2003, passed the following bill in which the concurrence of the Senate was asked:

<u>House File 689</u>, a bill for an act relating to ethanol blended gasoline, by providing for tax credits and for their retroactive applicability, providing for refunds, and providing for an effective date.

MICHAEL E. MARSHALL, Secretary

# **Appropriations Calendar**

<u>House File 699</u>, a bill for an act relating to Iowa agricultural industry finance corporations, by providing for the assignment of an Iowa agricultural industry finance loan, and providing an effective date, was taken up for consideration.

# **SENATE FILE 459 SUBSTITUTED FOR HOUSE FILE 699**

Horbach of Tama asked and received unanimous consent to substitute Senate File 459 for House File 699.

<u>Senate File 459</u>, a bill for an act relating to Iowa agricultural industry finance corporations, by providing for the assignment of an Iowa agricultural industry finance loan, and providing an effective date, was taken up for consideration.

Horbach of Tama moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (S.F. 459)

The ayes were, 96:

Alons Arnold Baudler Bell Berry Boal Boddicker Boggess Carroll Chambers Cohoon Dandekar Davitt De Boef Dennis Dix Drake Eichhorn Elgin Dolecheck Freeman Fallon Foege Ford Frevert Gaskill Gipp Granzow Greimann Greiner Hahn Hansen Heaton **Heddens** Hoffman Hanson Hogg Horbach Hunter Huseman Jenkins Jochum Huser Hutter Jones Klemme Kramer Kuhn Kurtenbach Lalk Lensing Lukan Lykam Maddox Mascher McCarthy Mertz Miller Murphy Myers Oldson Olson, D. Osterhaus Paulsen Petersen Quirk Raecker Rants, Spkr. Rasmussen Rayhons Reasoner Roberts Schickel Sands Shoultz Smith Stevens Struyk Swaim Taylor, D. Taylor, T. **Thomas Tjepkes** Tymeson Van Engelenhoven Van Fossen, J.K. Van Fossen, J.R. Upmeyer Watts Wendt Whitaker Whitead Wilderdyke Winckler Wise Jacobs, Presiding

The nays were, none.

Absent or not voting, 3:

Bukta Connors Manternach

Under the provision of Rule 76, conflict of interest, S. Olson of Clinton refrained from voting.

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

# **HOUSE FILE 699 WITHDRAWN**

Horbach of Tama asked and received unanimous consent to withdraw House File 699 from further consideration by the House.

### IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate File 459** be immediately messaged to the Senate.

# **ADOPTION OF HOUSE CONCURRENT RESOLUTION 21**

Lukan of Dubuque called up for consideration House Concurrent Resolution 21, a concurrent resolution relating to federal funding for fire and emergency services and homeland security costs, and moved its adoption.

The motion prevailed and the resolution was adopted.

## IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **House Concurrent Resolution 21** be immediately messaged to the Senate.

The House resumed consideration of the Senate amendment <u>H-1578</u> to <u>House File 549</u>, previously deferred and found on pages 1762 through 1782 of the House Journal.

Winckler of Scott asked and received unanimous consent to withdraw amendment  $\underline{H-1611}$ , to the Senate amendment  $\underline{H-1578}$ , filed by her from the floor.

Chambers of O'Brien moved that the House concur in the Senate amendment  $\underline{H-1578}$ .

A non-record roll call was requested.

The ayes were 47, nays 38.

The House concurred and Senate amendment  $\underline{\text{H-}1578}$  was adopted.

Chambers of O'Brien moved that the bill, as amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (H.F. 549)

The ayes were, 97:

Alons Arnold Baudler Bell Berry Boal Boddicker Boggess 1786

Chambers Dandekar Carroll Cohoon Davitt De Boef Dennis Dix Drake Eichhorn Elgin Dolecheck Fallon Freeman Foege Ford Gaskill Gipp Granzow Greimann Greiner Hahn Hanson Hansen Heaton Heddens Hoffman Hogg Horbach Hunter Huseman Huser Jenkins Jochum Jones Hutter Klemme Kramer Kuhn Kurtenbach Lalk Lensing Lukan Lykam Maddox Manternach Mascher McCarthy Mertz Miller Murphy Myers Oldson Olson, D. Olson, S. Osterhaus Quirk Paulsen Petersen Raecker Rants, Spkr. Rasmussen Rayhons Reasoner Schickel **Roberts** Sands **Shoultz** Smith Stevens Struyk Swaim Taylor, D. Taylor, T. **Thomas Tjepkes** Tymeson Van Engelenhoven Van Fossen, J.K. Upmeyer Van Fossen, J.R. Watts Wendt Whitaker Wilderdyke Winckler Whitead Wise Jacobs.

The nays were, 1:

Presiding

Frevert

Absent or not voting, 2:

Bukta Connor

The bill having received a constitutional majority was declared to have passed the House and the title, as amended, was agreed to.

# MESSAGES FROM THE SENATE

The following messages were received from the Senate:

 $\begin{tabular}{lll} \underline{Senate\ Concurrent\ Resolution\ 17}, a\ concurrent\ resolution\ supporting\ the\ widening, improvement,\ and\ enhancement\ of\ U.S.\ Highway\ 30\ across\ central\ Iowa\ and\ requesting\ federal\ assistance. \end{tabular}$ 

Also: That the Senate has on May 1, 2003, adopted the following resolution in which the concurrence of the House is asked:

<u>Senate Concurrent Resolution 19</u>, a concurrent resolution relating to federal funding for fire and emergency services and homeland security costs.

Also: That the Senate has on May 1, 2003, adopted the following resolution in which the concurrence of the House is asked:

<u>Senate Concurrent Resolution 20</u>, a concurrent resolution recognizing Richard and Joyce Lynch, the first recipients of the Good Neighbor Award presented by the Department of Agriculture and Land Stewardship.

### IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **House File 549** be immediately messaged to the Senate.

## Ways and Means Calendar

<u>Senate File 441</u>, a bill for an act relating to the transfer of certain property-related tax credits and including effective and retraoactive applicability date provisions, with report of committee recommending passage, was taken up for consideration.

Boal of Polk moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (S.F. 441)

The ayes were, 98:

Alons	Arnold	Baudler	Bell
Berry	Boal	Boddicker	Boggess
Carroll	Chambers	Cohoon	Dandekar
Davitt	De Boef	Dennis	Dix
Dolecheck	Drake	Eichhorn	Elgin
Fallon	Foege	Ford	Freeman
Frevert	Gaskill	Gipp	Granzow
Greimann	Greiner	Hahn	Hansen
Hanson	Heaton	Heddens	Hoffman
Hogg	Horbach	Hunter	Huseman
Huser	Hutter	Jenkins	Jochum
Jones	Klemme	Kramer	Kuhn
Kurtenbach	Lalk	Lensing	Lukan
Lykam	Maddox	Manternach	Mascher
McCarthy	Mertz	Miller	Murphy
Myers	Oldson	Olson, D.	Olson, S.
Osterhaus	Paulsen	Petersen	Quirk

Raecker Rants, Spkr. Rasmussen Rayhons Reasoner Roberts Sands Schickel Shoultz Smith Stevens Struyk Taylor, D. Swaim Taylor, T. Thomas **Tjepkes** Tymeson Upmeyer Van Engelenhoven Van Fossen, J.K. Van Fossen, J.R. Watts Wendt

Whitaker Whitead Wilderdyke Winckler Wise Jacobs.

Presiding

The nays were, none.

Absent or not voting, 2:

Bukta Connors

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

### **IMMEDIATE MESSAGE**

Gipp of Winneshiek asked and received unanimous consent that **Senate File 441** be immediately messaged to the Senate.

Speaker Rants in the chair at 5:59 p.m.

# **ADOPTION OF HOUSE RESOLUTION 61**

Heaton of Henry called up for consideration <u>House Resolution</u> <u>61</u>, a resolution relating to the shortage of nursing home administrators and requesting the State Board of Examiners for Nursing Home Administrators to make recommendations for addressing the shortage, and moved its adoption.

The motion prevailed and the resolution was adopted.

## MOTION TO RECONSIDER PREVAILED

Gipp of Winneshiek called up for consideration the motion to reconsider <u>House File 701</u>, filed on April 30, 2003, and moved to reconsider the vote by which <u>House File 701</u>, a bill for an act relating to the individual income tax by reducing the tax rates and number of tax brackets and including a contingent effective and applicability date provision, failed to pass the House on April 30, 2003.

The motion prevailed and the House reconsidered House File 701.

J.K. Van Fossen of Scott moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (H.F. 701)

The ayes were, 51:

Alons	Arnold	Baudler	Boal
Boddicker	Boggess	Carroll	Chambers
De Boef	Dennis	Dix	Dolecheck
Drake	Eichhorn	Elgin	Freeman
Gipp	Granzow	Greiner	Hahn
Hansen	Hanson	Heaton	Hoffman
Horbach	Huseman	Hutter	Jacobs
Jenkins	Jones	Klemme	Kramer
Kurtenbach	Lukan	Maddox	Manternach
Olson, S.	Raecker	Rasmussen	Roberts
Sands	Schickel	Tjepkes	Tymeson
Upmeyer	Van Engelenhoven	Van Fossen, J.K.	Van Fossen, J.R.
Watts	Wilderdyke	Mr. Speaker	
		Rants	

The nays were, 47:

Bell	Berry	Cohoon	Dandekar
Davitt	Fallon	Foege	Ford
Frevert	Gaskill	Greimann	Heddens
Hogg	Hunter	Huser	Jochum
Kuhn	Lalk	Lensing	Lykam
Mascher	McCarthy	Mertz	Miller
Murphy	Myers	Oldson	Olson, D.
Osterhaus	Paulsen	Petersen	Quirk
Rayhons	Reasoner	Shoultz	Smith
Stevens	Struyk	Swaim	Taylor, D.
Taylor, T.	Thomas	Wendt	Whitaker
Whitead	Winckler	Wise	

Absent or not voting, 2:

Bukta Connors

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

## IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **House File 701** be immediately messaged to the Senate.

## MESSAGE FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on May 1, 2003, amended the House amendment, concurred in the House amendment as amended, and passed the following bill in which the concurrence of the House is asked:

<u>Senate File 452</u>, a bill for an act relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, and authorizing fees.

MICHAEL E. MARSHALL, Secretary

The House stood at ease at 6:14 p.m., until the fall of the gavel.

The House resumed session at 7:15 p.m., Speaker Rants in the chair.

# **QUORUM CALL**

A non-record roll call was requested to determine that a quorum was present. The vote revealed eighty-four members present, sixteen absent.

# MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on May 1, 2003, passed the following bill in which the concurrence of the House is asked:

<u>Senate File 458</u>, a bill for an act relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, providing for related matters, making penalties applicable, and providing effective dates.

Also: That the Senate has on May 1, 2003, adopted the following resolution in which the concurrence of the House is asked:

<u>Senate Concurrent Resolution 21</u>, a senate concurrent resolution to provide for adjournment sine die.

MICHAEL E. MARSHALL, Secretary

## SENATE AMENDMENT CONSIDERED

Huseman of Cherokee called up for consideration <u>Senate File</u> <u>452</u>, a bill for an act relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, environment first fund, and tobacco settlement trust fund, relating to the capitol complex parking structure, and authorizing fees, amended by the House, further amended by the Senate and moved that the House concur in the following Senate amendment <u>H-1613</u> to the House amendment:

## H-1613

The motion prevailed and the House concurred in the Senate amendment  $\underline{H-1613}$ , to the House amendment.

Huseman of Cherokee moved that the bill, as amended by the House, further amended by the Senate and concurred in by the House, be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (S.F. 452)

The ayes were, 97:

Alons	Arnold	Baudler	Bell
Berry	Boal	Boddicker	Boggess
Carroll	Chambers	Cohoon	Dandekar
Davitt	De Boef	Dennis	Dix
Dolecheck	Drake	Eichhorn	Elgin
Foege	Ford	Freeman	Frevert
Gaskill	Gipp	Granzow	Greimann

Hahn Greiner Hansen Hanson Heaton Heddens Hoffman Hogg Horbach Hunter Huseman Huser Hutter Jacobs **Jenkins** Jochum Jones Klemme Kramer Kuhn Lensing Kurtenbach Lalk Lukan Lykam Maddox Manternach Mascher McCarthy Miller Murphy Mertz Myers Oldson Olson, D. Olson, S. Osterhaus Paulsen Petersen Quirk Raecker Rayhons Rasmussen Reasoner Schickel **Roberts** Sands Shoultz Smith Stevens Struyk Swaim Taylor, D. Taylor, T. **Thomas** Tjepkes Van Engelenhoven Van Fossen, J.K. Tymeson Upmeyer Van Fossen, J.R. Watts Wendt Whitaker Whitead Wilderdyke Winckler Wise

Mr. Speaker Rants

The nays were, 1:

Fallon

Absent or not voting, 2:

Bukta

Connors

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

### IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate File 452** be immediately messaged to the Senate.

### SENATE MESSAGE CONSIDERED

<u>Senate File 458</u>, a bill for an act relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, modifying sales and use taxes, modifying the investment tax credits and premium taxes on mutual insurance associations, providing for related matters, making penalties applicable, and providing effective dates.

Read first time and passed on file.

The House resumed consideration of <u>House File 700</u>, a bill for an act relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, providing for related matters, making penalties applicable, and providing effective dates, previously deferred and found on pages 1694 through 1757 of the House Journal.

Dix of Butler offered the following amendment  $\underline{H-1612}$  filed by him from the floor and moved its adoption:

## H-1612

Amend House File 700 as follows: 1. By striking everything after the enacting 3 clause and inserting the following: "DIVISION I MH/MR/DD ALLOWED GROWTH 5 Section 1. Section 426B.5, subsection 2, paragraph 6 d, subparagraphs (1) and (6), Code 2003, are amended to read as follows: (1) A county must apply to the board for 10 assistance from the risk pool on or before April 1 11 January 25 to cover an unanticipated net expenditure amount in excess of the county's current fiscal year 13 budgeted net expenditure amount for the county's 14 services fund. The risk pool board shall make its 15 final decisions on or before February 25 regarding 16 acceptance or rejection of the applications for assistance and the total amount accepted shall be 17 considered obligated. For purposes of applying for 19 risk pool assistance and for repaying unused risk pool 20 assistance, the current fiscal year budgeted net 21 expenditure amount shall be deemed to be the higher of 22 either the budgeted net expenditure amount in the management plan approved under section 331.439 for the 24 fiscal year in which the application is made or the 25 prior fiscal year's net expenditure amount. (6) The total amount of risk pool assistance shall 27 be limited to the amount available in the risk pool 28 for a fiscal year. If the total amount of eligible 29 assistance exceeds the amount available in the risk 30 pool the amount of assistance paid shall be prorated 31 among the counties eligible for assistance. Moneys 32 remaining unexpended or unobligated in the risk pool 33 at the close of a fiscal year shall remain available 34 for distribution in the succeeding fiscal year 35 following the risk pool board's decisions made 36 pursuant to subparagraph (1) shall be distributed to 37 the counties eligible to receive funding from the

38	allowed growth factor adjustment appropriation for the
39	fiscal year using the distribution methodology
40	applicable to that appropriation.
41	Sec. 2. COUNTY MENTAL HEALTH, MENTAL RETARDATION,
42	AND DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR
43	ADJUSTMENT AND ALLOCATIONS – FISCAL YEAR 2004-2005.
44	1. There is appropriated from the general fund of
45	the state to the department of human services for the
46	fiscal year beginning July 1, 2004, and ending June
47	30, 2005, the following amount, or so much thereof as
48	is necessary, to be used for the purpose designated:
49	For distribution to counties of the county mental
50	health, mental retardation, and developmental
Pag	ge 2
1	disabilities allowed growth factor adjustment, as
2	provided in this section in lieu of the provisions of
3	section 331.438, subsection 2, and section 331.439,
4	subsection 3, and chapter 426B:
5	\$ 23,738,749
6	2. The funding appropriated in this section is the
7	allowed growth factor adjustment for fiscal year 2004-
8	2005, and is allocated as follows:
9	a. For distribution as provided by law:
10	\$ 21,738,749
11	b. For deposit in the risk pool created in the
12	property tax relief fund and for distribution in
13	accordance with section 426B.5, subsection 2:
14	\$ 2,000,000
15	Sec. 3. 2002 Iowa Acts, chapter 1175, section 104,
16	subsections 2, 4 and 5, as amended by 2003 Iowa Acts,
17	House File 667, section 41, are amended to read as
18	follows:
19	2. The following formula amounts shall be utilized
20	only to calculate preliminary distribution amounts for
21	fiscal year 2003-2004 under this section by applying
22	the indicated formula provisions to the formula
	<u>.</u>
23	amounts and producing a preliminary distribution total
24	for each county:
25	a. For calculation of an allowed growth factor
26	adjustment amount for each county in accordance with
27	the formula in section 331.438, subsection 2,
28	paragraph "b":
29	\$ 12,000,000
30	b. For calculation of a distribution amount for
31	eligible counties from the per capita expenditure
32	target pool created in the property tax relief fund in
33	accordance with the requirements in section 426B.5,
34	subsection 1:
35	\$ 12,492,712
36	<u>14,492,000</u>

- c. For calculation of a distribution amount for 38 counties from the mental health and developmental 39 disabilities (MH/DD) community services fund in accordance with the formula provided in the appropriation made for the MH/DD community services 42 fund for the fiscal year beginning July 1, 2003: \$ 17,727,890 4. After applying the applicable statutory 44 distribution formulas to the amounts indicated in 45 subsection 2 for purposes to produce preliminary distribution totals, the department of human services 47 48 shall apply a withholding factor to adjust an eligible 49 individual county's preliminary distribution total. 50 An ending balance percentage for each county shall be Page 3 determined by expressing the county's ending balance on a modified accrual basis under generally accepted accounting principles for the fiscal year beginning July 1, 2002, in the county's mental health, mental retardation, and developmental disabilities services fund created under section 331.424A, as a percentage

- 5
- 6
- of the county's gross expenditures from that fund for
- 8 that fiscal year. The withholding factor for a county
- shall be the following applicable percent:
- 10 a. For an ending balance percentage of less than
- 10 percent, a withholding factor of 0 percent. In 11
- addition to the county's adjusted distribution total,
- 13 a county that is subject to this paragraph "a" shall
- receive an inflation adjustment equal to 2.6 percent
- 15 of the gross expenditures reported for the county's
- 16 services fund for that fiscal year.
- b. For an ending balance percentage of 10 through 17
- 18 24 percent, a withholding factor of 25 percent.
- c. For an ending balance percentage of 25 through
- 20 34 percent, a withholding factor of 60 percent.
- d. For an ending balance percentage of 35 through
- 22 44 percent, a withholding factor of 85 percent.
- e. d. For an ending balance percentage of 45 35
- 24 percent or more, a withholding factor of 100 percent.
- 25 5. The total withholding amounts applied pursuant
- to subsection 4 shall be equal to a withholding target
- 27 amount of \$7,419,074 and the appropriation enacted by
- 28 the Eightieth General Assembly, 2003 Session, for the
- 29 MH/DD community services fund shall be reduced by the
- 30 amount necessary to attain the withholding target
- 31 amount \$9,418,362. If the department of human
- services determines that the amount to be withheld in
- 33 accordance with subsection 4 is not equal to the
- 34 target withholding amount, the department shall adjust
- 35 the withholding factors listed in subsection 4 as

36 37 38 39 40 41 42 43 44 45 46 47 48 49 50	necessary to achieve the withholding target amount.  However, in making such adjustments to the withholding factors, the department shall strive to minimize changes to the withholding factors for those ending balance percentage ranges that are lower than others and shall not adjust the zero withholding factor or the inflation adjustment percentage specified in subsection 4, paragraph "a".  DIVISION II  STANDING APPROPRIATIONS – REDUCTIONS  Sec. 4. GENERAL ASSEMBLY. The appropriations made pursuant to section 2.12 for the expenses of the general assembly and legislative agencies for the fiscal year beginning July 1, 2003, and ending June 30, 2004, are reduced by the following amount:
Pag	
1	\$ 2,000,000
2	Sec. 5. REBUILD IOWA INFRASTRUCTURE FUND.
3	Notwithstanding section 8.56, subsection 4, there is
4	appropriated from the cash reserve fund to the rebuild
5	Iowa infrastructure fund created in section 8.57 for
6	the fiscal year beginning July 1, 2002, and ending
7	June 30, 2003, the following amount:
8	\$ 2,150,000
9	Sec. 6. ENVIRONMENT FIRST FUND. Notwithstanding
10	the amount of the standing appropriation from the
11	rebuild Iowa infrastructure fund under section 8.57A,
12	subsection 4, there is appropriated from the rebuild
13	Iowa infrastructure fund to the environment first
14	fund, in lieu of the appropriation made in section
15	8.57A, for the fiscal year beginning July 1, 2002, and
16	ending June 30, 2003, the following amount:
17	\$ 18,445,000
18	Sec. 7. AT-RISK CHILDREN PROGRAMS.
19	Notwithstanding the standing appropriation in section
20	279.51, subsection 1, the amount appropriated from the
21	general fund of the state under section 279.51,
22	subsection 1, to the department of education for the
23	fiscal year beginning July 1, 2003, and ending June
24	30, 2004, is reduced by the following amount:
25	The amount of the reduction in this section shall
26 27	be prorated among the programs specified in section
28	279.51, subsection 1, paragraphs "a", "b", and "c".
29	Sec. 8. PUBLIC TRANSIT ASSISTANCE APPROPRIATION.
30	Notwithstanding section 312.2, subsection 14, the
31	amount appropriated from the general fund of the state
32	under section 312.2, subsection 14, to the state
33	department of transportation for public transit
34	assistance under chapter 324A for the fiscal year

35 36	beginning July 1, 2003, and ending June 30, 2004, is reduced by the following amount:	1 900 675
37 38	Sec. 9. Section 294A.25, subsection 1, Code 2003,	1,298,675
39	is amended to read as follows:	
40	1. For the fiscal year beginning July 1, <del>2000</del>	
41	2003, and for each succeeding year, there is	
42	appropriated from the general fund of the state to the	
43	department of education the amount of eighty fifty-six	
44	million eight hundred ninety-one thousand three	
45	hundred thirty-six dollars to be used to improve	
46	teacher salaries. The moneys shall be distributed as	
47	provided in this section.	
48	Sec. 10. EFFECTIVE DATE. The sections of this	
49	division of this Act relating to the appropriations	
<b>50</b>	made to the rebuild Iowa infrastructure fund and	
Pa	ge 5	
1	environment first fund for the fiscal year beginning	
2	July 1, 2002, being deemed of immediate importance,	
3	take effect upon enactment.	
4	DIVISION III	
5	STANDING APPROPRIATIONS – LIMITATIONS	
6	Sec. 11. Notwithstanding the standing	
7	appropriations in the following designated sections	
8	for the fiscal year beginning July 1, 2003, and ending	
9	June 30, 2004, the amounts appropriated from the	
10	general fund of the state pursuant to those sections	
11 12	for the following designated purposes shall not exceed the following amounts:	
13	1. For compensation of officers and enlisted	
14	persons and their expenses while on state active duty	
15	as authorized in section 29A.27:	
16	\$	432,450
17	2. For payment for nonpublic school transportation	102,100
18	under section 285.2:	
19	\$	7,799,550
20	If total approved claims for reimbursement for	
21	nonpublic school pupil transportation claims exceed	
22	the amount appropriated in this section, the	
23	department of education shall prorate the amount of	
24	each claim.	
25	3. For printing cigarette tax stamps under section	
26	453A.7:	
27	\$	110,055
28	4. For the state's share of the cost of the peace	
29	officers' retirement benefits under section 411.20:	0.010.100
30	\$	2,816,189
31 32	5. For payment of livestock production credit refunds under section 422.121:	
33	retunds under section 422.121:	1 915 725
55	ş	1,010,700

34	6. For reimbursement for the homestead property		
35	tax credit under section 425.1:		
36		\$10	5,585,004
37	7. For reimbursement for the agricultural land and		
38	family farm tax credits under section 426.1:		
39		\$ 3	5.497.624
40	8. For reimbursement for the military service tax		-, - , , -
41	credit under section 426A.1A:		
42		\$ 2	569 712
43	9. For administration expenses of the state	۰ ۲	,,000,712
44	unemployment compensation law under chapter 96:		
45		ċ	450.000
	10. Francisco de Control de Contr	Ģ	450,000
46	10. For payment of certain interest costs due the		
47	federal government under the federal Cash Managemen	nt	
48	and Improvement Act under section 421.31:		
49		\$	550,000
<b>50</b>	11. For funding the state's deferred compensation		
Pag	ge 6		
1	program established for state employees under section		
2	509A.12:		
3		\$	56,501
4	Sec. 12. ELDERLY AND DISABLED CREDIT.		
5	Notwithstanding the standing appropriation in section		
6	425.39, the amount appropriated from the general fund	ı	
7	of the state under section 425.39, for the fiscal year		
8	beginning July 1, 2003, and ending June 30, 2004, for		
9	purposes of implementing the elderly and disabled		
10	credit and reimbursement portion of the extraordinary		
11	property tax and reimbursement division of chapter		
	425, shall not exceed \$16,651,800. The director shall		
12			
13	pay, in full, all claims to be paid during the fiscal		
14	year beginning July 1, 2003, for reimbursement of rent		
15	constituting property taxes paid. If the amount of		
16	claims for credit for property taxes due to be paid		
17	during the fiscal year beginning July 1, 2003, exceeds		
18	the amount remaining after payment to renters, the		
19	director of revenue and finance shall prorate the		
20	payments to the counties for the property tax credit.		
21	In order for the director to carry out the		
22	requirements of this section, notwithstanding any		
23	provision to the contrary in sections 425.16 through		
24	425.39, claims for reimbursement for rent constituting		
25	property taxes paid filed before May 1, 2004, shall be		
26	eligible to be paid in full during the fiscal year		
27	ending June 30, 2004, and those claims filed on or		
28	after May 1, 2004, shall be eligible to be paid during		
29	the fiscal year beginning July 1, 2004, and the		
30			
	director is not required to make payments to counties		
31	for the property tax credit before June 15, 2004.		
32	Sec. 13. REDUCTION IN CREDITS NOT APPLICAB	LE	The

```
33 provision in section 25B.7 relating to the proration
34 of the property tax credits does not apply with
35 respect to the amount of state reimbursement for
36 property tax credits under this division.
37
               DIVISION IV
38
         REVENUE ADJUSTMENTS - APPROPRIATIONS
    Sec. 14. IOWA ECONOMIC EMERGENCY AND RESERVE FUNDS
   - EARNINGS. Notwithstanding section 8.55, subsection
   4, and section 8.56, subsection 1, for the fiscal year
   beginning July 1, 2003, and ending June 30, 2004, the
43 interest and earnings on moneys deposited in the Iowa
44 economic emergency fund and the cash reserve fund
45 shall be credited to the general fund of the state.
46
    Sec. 15. USE OF REVERSIONS. Notwithstanding
47 section 8.62, if on June 30, 2004, a balance of an
48 operational appropriation, as defined in section 8.62,
   except for the balances of charter agencies, as
   defined in section 7J.1, if enacted by 2003 Iowa Acts,
Page 7
    Senate File 453, remains unexpended or unencumbered,
   the balance shall revert to the general fund of the
   state as provided in section 8.33.
    Sec. 16. KEEP IOWA BEAUTIFUL FUND. For the fiscal
   years beginning July 1, 2002, and July 1, 2003, moneys
    credited to the keep Iowa beautiful fund in accordance
    with section 422.12A are appropriated to the state
    department of transportation to be used for the
   purposes provided in section 314.28.
    Sec. 17. ENDOWMENT FOR IOWA'S HEALTH. For the
10
11 fiscal year beginning July 1, 2003, and ending June
   30, 2004, of the $70,000,000 to be deposited in the
13 endowment for Iowa's health account of the tobacco
14 settlement trust fund under 2001 Iowa Acts, chapter
15 174, section 1, subsection 1, the following amount
16 shall instead be deposited in the general fund of the
17
18
    $ 20,000,000
    Sec. 18. JUNIOR OLYMPICS. There is appropriated
19
20 from the general fund of the state to the department
21 of economic development for the fiscal year beginning
   July 1, 2003, and ending June 30, 2004, the following
23
   amount, or so much thereof as is necessary, to be used
24 for the purpose designated:
    For providing assistance to a city or nonprofit
26 organization hosting the national junior olympics:
27
    ......$
                                                         50.000
    Sec. 19. REBUILD IOWA INFRASTRUCTURE FUND.
```

Notwithstanding section 8.57, subsection 5, there is
 appropriated from the rebuild Iowa infrastructure fund
 created in section 8.57, subsection 5, to the general

32	fund of the state during the fiscal year beginning
33	July 1, 2003, and ending June 30, 2004, the following
34	amount:
35	\$ 10,000,000
36	Sec. 20. IOWA LAW ENFORCEMENT ACADEMY. 2003 Iowa
37	Acts, Senate File 439, section 10, subsection 1,
38	unnumbered paragraph 2, if enacted, is amended to read
39	as follows:
40	For salaries, support, maintenance, miscellaneous
41	purposes, including jailer training and technical
42	assistance, and for not more than the following full-
43	time equivalent positions:
44	\$ <del>1,002,629</del>
45	1,047,629
46	FTEs 30.05
47	Sec. 21. MILITARY PAY DIFFERENTIAL. There is
48	appropriated from the cash reserve fund to the
49	department of revenue and finance or its successor
50	agency for the period beginning March 19, 2003, and
Pag	ge 8
1	ending June 30, 2003, the following amount, or so much
2	thereof as is necessary, for the purposes designated:
3	For a military pay differential program and health
4	insurance retention program for individuals activated
5	for the armed services of the United States, for
6	employees on the central payroll system:
8 9 :	Of the funds appropriated in this section, up to \$10,000 is transferred to the Iowa department of
10	public health for allocation to community mental
11	health centers to provide counseling services to
12	persons who are members of the national guard and
13	reservists activated but as yet not sent to combat
14	zones and to the persons' family members. The
15	sessions shall be provided on a first come, first
16	served basis and shall be limited to three visits per
17	family.
18	The department or agency receiving funds under this
19	section shall report monthly to the fiscal committee
20	of the legislative council on the use of the funds.
21	Notwithstanding section 8.33, unencumbered or
22	unobligated funds remaining on June 30, 2003, from the
23	appropriation made in this section shall not revert
24	but shall remain available to be used for the purposes
25	designated in the following fiscal year.
26	Sec. 22. ASSISTED LIVING PROGRAMS.
27	Notwithstanding section 231C.6, any fees remaining on
28	June 30, 2003, in the assisted living program fund
29	created pursuant to section 231C.6 are appropriated to
30	the department of inspections and appeals for the

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31	fiscal year beginning July 1, 2003, and ending June
32	30, 2004, to carry out the purposes of chapter 231C.
33	Sec. 23. COUNTY HOSPITALS. There is appropriated
34	from the general fund of the state to the department
35	of human services for the fiscal year beginning July
36	1, 2003, and ending June 30, 2004, the following
37	amount, or so much thereof as is necessary, for the
38	purpose designated:
39	For support of operational expenses of county
40	hospitals in counties having a population of two
	hospitals in counties having a population of two
41	hundred twenty-five thousand or more:
42	\$ 312,000
43	Sec. 24. WORKFORCE DEVELOPMENT. There is
44	appropriated from the general fund of the state to the
45	Iowa department of workforce development for the
46	fiscal year beginning July 1, 2003, and ending June
47	30, 2004, the following amount, or so much thereof as
48	is necessary, for the purpose designated:
49	For salaries and support and for the following
50	full-time equivalent positions.
	•
Pag	te 9
	,
1	\$ 250,000
2	FTEs 5.00
3	The appropriation in this section shall be used for
4	four OSHA inspectors and one workers' compensation
5	compliance officer. The appropriation in this section
6	is contingent upon the enactment of 2003 Iowa Acts,
7	Senate File 344, by the Eightieth General Assembly,
8	
	2003 Regular Session.
9	Sec. 25. UNEMPLOYMENT TRUST FUND. There is
10	appropriated from moneys transferred to the state on
11	March 13, 2002, pursuant to section 903(d) of the
12	federal Social Security Act, as amended, to the
13	department of workforce development, the following
14	amount, to be deposited, under the direction of the
15	department of workforce development, in the
16	unemployment compensation fund for the payment of
17	unemployment benefits and for the establishment of the
18	unemployment compensation reserve fund:
19	\$ 40,000,000
20	Sec. 26. UNEMPLOYMENT TAX AND CLAIM SYSTEM. There
21	is appropriated from moneys transferred to the state
22	on March 13, 2002, pursuant to section 903(d) of the
23	federal Social Security Act, as amended, to the
24	department of workforce development, the following
25	amount for purposes of automation and technology for
26	1 1
	the unemployment tax and claim system:
27	\$20,000,000
28	Sec. 27. ENHANCED SERVICES TO CLAIMANTS. There is
29	appropriated from moneys transferred to the state on

30 March 13, 2002, pursuant to section 903(d) of the 31 federal Social Security Act, as amended, to the 32 department of workforce development the following amount for purposes of infrastructure improvements and 34 the administrative and technology costs associated 35 with enhanced services to unemployment benefit 36 claimants for workforce and labor exchange services: \$ 20,700,000 37 38 Sec. 28. FEDERAL FISCAL RELIEF FUNDING. If the one hundred eighth United States Congress enacts an 39 economic stimulus package that includes the provision 40 41 of discretionary funding to the state to provide state 42 or local government fiscal relief, the funding shall 43 be deposited in the fund created by section 8.41. Sec. 29. Section 8.55, subsection 2, paragraph c, 45 Code 2003, is amended to read as follows: c. Notwithstanding paragraph "a", any moneys in 46 excess of the maximum balance in the economic 48 emergency fund after the distribution of the surplus in the general fund of the state at the conclusion of

#### Page 10

1 been transferred pursuant to paragraph "b", shall not

50 each fiscal year and after the appropriate amount has

- be transferred to the general fund of the state but
- shall be transferred to the senior living trust fund.
- The total amount transferred, in the aggregate, under
- this paragraph for all fiscal years shall not exceed 5
- fifty one one hundred eighteen million five hundred
- thousand dollars. 7
- Sec. 30. Section 8.55, subsection 2, paragraph d,
- Code 2003, is amended to read as follows:
- 10 d. Notwithstanding paragraph "a", any moneys in
- 11 excess of the maximum balance in the economic
- 12 emergency fund after the distribution of the surplus
- 13 in the general fund of the state at the conclusion of
- 14 each fiscal year and after the appropriate amounts
- 15 have been transferred pursuant to paragraphs "b" and
- "c" shall not be transferred to the general fund of
- 17 the state but shall be transferred to the endowment
- 18 for Iowa's health account of the tobacco settlement
- 19 trust fund. The total amount transferred, in the
- 20 aggregate, under this paragraph for all fiscal years
- 21 shall not exceed the difference between sixty one
- 22 hundred one million five seven hundred fifty-one
- 23 thousand dollars and the amounts transferred to the
- 24 endowment for Iowa's health account to repay the
- amounts transferred or appropriated from the endowment
- 26 for Iowa's health account in 2002 Iowa Acts, chapter
- 27 1165, 2002 Iowa Acts, chapter 1166, 2002 Iowa Acts,
- 28 chapter 1167, and 2002 Iowa Acts, Second Extraordinary

- 29 Session, chapter 1003, and 2003 Iowa Acts, House File
- 30 685
- 31 Sec. 31. Section 8.57, subsection 1, paragraph a,
- 32 unnumbered paragraph 1, Code Supplement 2001, as
- 33 enacted by 2002 Iowa Acts, Second Extraordinary
- 34 Session, chapter 1001, section 28, is amended to read
- 35 as follows:
- 36 The "cash reserve goal percentage" for fiscal years
- 37 beginning on or after July 1, 2003 2004, is seven and
- 38 one-half percent of the adjusted revenue estimate.
- 39 For each fiscal year beginning on or after July 1,
- 40 2003, in which the appropriation of the surplus
- 41 existing in the general fund of the state at the
- 42 conclusion of the prior fiscal year pursuant to
- 43 paragraph "b" was not sufficient for the cash reserve
- 44 fund to reach the cash reserve goal percentage for the
- 45 current fiscal year, there is appropriated from the
- 46 general fund of the state an amount to be determined
- 17 as fallaria.
- 47 as follows:
- 48 Sec. 32. Section 96.9, Code 2003, is amended by
- 49 adding the following new subsection:
- 50 NEW SUBSECTION. 8. UNEMPLOYMENT COMPENSATION

- 1 RESERVE FUND.
- a. A special fund to be known as the unemployment
- 3 compensation reserve fund is created in the state
- 4 treasury. The reserve fund is separate and distinct
- 5 from the unemployment compensation fund. All moneys
- 6 collected as reserve contributions, as defined in
- 7 paragraph "b", shall be deposited in the reserve fund.
- 8 The moneys in the reserve fund may be used for the
- 9 payment of unemployment benefits and shall remain
- 10 available for expenditure in accordance with the
- 11 provisions of this subsection. The treasurer of state
- 12 shall be the custodian of the reserve fund and shall
- 13 disburse the moneys in the reserve fund in accordance
- 14 with this subsection and the directions of the
- 15 director of the department of workforce development.
- 16 b. If the balance in the reserve fund on July 1 of
- 17 the preceding calendar year for calendar year 2004 and
- $18 \hspace{0.1in} each \hspace{0.1in} year \hspace{0.1in} thereafter \hspace{0.1in} is \hspace{0.1in} less \hspace{0.1in} than \hspace{0.1in} one \hspace{0.1in} hundred \hspace{0.1in} fifty$
- 19 million dollars, a percentage of contributions, as
- 20 determined by the director, shall be deemed to be
- 21 reserve contributions for the following calendar year.
- 22 If the percentage of contributions, termed the reserve
- 23 contribution tax rate, is not zero percent as
- 24 determined pursuant to this subsection, the combined
- 25 tax rate of contributions to the unemployment
- 26 compensation fund and to the unemployment compensation
- 27 reserve fund shall be divided so that a minimum of

- 28 fifty percent of the combined tax rate equals the
- 29 unemployment contribution tax rate and a maximum of
- 30 fifty percent of the combined tax rate equals the
- 31 reserve contribution tax rate except for employers who
- 32 are assigned a combined tax rate of five and four-
- 33 tenths. For those employers, the reserve contribution
- 34 tax rate shall equal zero and their combined tax rate
- 35 shall equal their unemployment contribution rate.
- 36 When the reserve contribution tax rate is determined
- 37 to be zero percent, the unemployment contribution rate
- 38 for all employers shall equal one hundred percent of
- $39 \;\;$  the combined tax rate. The reserve contributions
- 40 collected in any calendar year shall not exceed fifty
- 41 million dollars. The provisions for collection of
- 42 contributions under section 96.14 are applicable to
- $43 \quad the \ collection \ of \ reserve \ contributions. \ Reserve$
- $\,$  44  $\,$  contributions shall not be deducted in whole or in
- 45 part by any employer from the wages of individuals in
- 46 its employ. All moneys collected as reserve
- 47 contributions shall not become part of the
- 48 unemployment compensation fund but shall be deposited
- 49 in the reserve fund created in this subsection.
- 60 c. Moneys in the reserve fund shall only be used

- 1 to pay unemployment benefits to the extent moneys in
- 2 the unemployment compensation fund are insufficient to
- 3 pay benefits during a calendar quarter.
- 4 d. The interest earned on the moneys in the
- 5 reserve fund shall be deposited in and credited to the
- 6 reserve fund.
- e. Moneys from interest earned on the unemployment
- 8 compensation reserve fund shall be used by the
- $9\quad department\ only\ upon\ appropriation\ by\ the\ general$
- 10 assembly and only for purposes contained in section
- 11 96.7, subsection 12, for department of workforce
- 12 development rural satellite offices, and for
- 13 administrative costs to collect the reserve
- 14 contributions.
- 15 Sec. 33. Section 256D.4, subsection 2, unnumbered
- 16 paragraph 1, Code 2003, is amended to read as follows:
- 17 For each fiscal year in the fiscal period beginning
- 18 July 1, 2001, and ending June 30, 2003, moneys Moneys
- 19 appropriated pursuant to section 256D.5, subsection 3,
- 20 shall be allocated to school districts as follows:
- 21 Sec. 34. Section 256D.5, subsection 3, Code 2003,
- 22 is amended to read as follows:
- 23 3. For each fiscal year of the fiscal period
- 24 beginning July 1, 2001, and ending June 30, 2003 2004,
- 25 the sum of thirty million dollars.
- 26 Sec. 35. Section 260G.4B, subsection 1, Code 2003,

- 27 is amended to read as follows:
- 1. The total amount of program job credits from
- 29 all employers which shall be allocated for all
- 30 accelerated career education programs in the state in
- 31 any one fiscal year shall not exceed the sum of three
- 32 million dollars in the fiscal year beginning July 1,
- 33 2000, three million dollars in the fiscal year
- 34 beginning July 1, 2001, three million dollars in the
- 35 fiscal year beginning July 1, 2002, four million
- dollars in the fiscal year beginning July 1, 2003, and
- 37 six million dollars in the fiscal year beginning July
- 38 1, 2003 2004, and every fiscal year thereafter. Any
- 39 increase in program job credits above the six-million-
- 40 dollar limitation per fiscal year shall be developed,
- 41 based on recommendations in a study which shall be
- conducted by the department of economic development of
- 43 the needs and performance of approved programs in the
- 44 fiscal years beginning July 1, 2000, and July 1, 2001.
- 45 The study's findings and recommendations shall be
- 46 submitted to the general assembly by the department by December 31, 2002. The study shall include but not be
- 48 limited to an examination of the quality of the
- programs, the number of program participant
- 50 placements, the wages and benefits in program jobs,

- the level of employer contributions, the size of
- participating employers, and employer locations. A
- community college shall file a copy of each agreement
- 4 with the department of economic development. The
- department shall maintain an annual record of the
- 6 proposed program job credits under each agreement for
- each fiscal year. Upon receiving a copy of an
- agreement, the department shall allocate any available
- amount of program job credits to the community college
- 10 according to the agreement sufficient for the fiscal
- year and for the term of the agreement. When the
- total available program job credits are allocated for 12
- 13 a fiscal year, the department shall notify all
- 14 community colleges that the maximum amount has been
- 15 allocated and that further program job credits will
- 16 not be available for the remainder of the fiscal year.
- 17 Once program job credits have been allocated to a
- 18 community college, the full allocation shall be
- 19 received by the community college throughout the
- 20 fiscal year and for the term of the agreement even if
- 21 the statewide program job credit maximum amount is
- subsequently allocated and used.
- 23 Sec. 36. Section 294A.25, subsection 10, Code
- 24 2003, is amended to read as follows:
- 10. For the each fiscal year beginning July 1,

26 2001, and ending June 30, 2002, to the department of 27 education from phase III moneys the amount of forty-28 seven thousand dollars for the Iowa mathematics and 29 science coalition. 30 Sec. 37. Section 427B.19A, subsection 1, as 31 amended by 2003 Iowa Acts, Senate File 453, if 32 enacted, is amended to read as follows: 33 1. The industrial machinery, equipment and 34 computers property tax replacement fund is created. 35 For the fiscal year beginning July 1, 1996, through 36 the fiscal year ending June 30, 2004, there is 37 appropriated annually from the general fund of the 38 state to the department of revenue and finance to be 39 credited to the industrial machinery, equipment and 40 computers property tax replacement fund, an amount sufficient to implement this division. However, for 42 the fiscal year beginning July 1, 2003, the amount 43 appropriated to the department of revenue and finance 44 to be credited to the industrial machinery, equipment 45 and computers tax replacement fund is ten eleven million two hundred eighty-one thousand six hundred eight-five dollars. 47 48 Sec. 38. 2001 Iowa Acts, chapter 174, section 1, 49 subsection 2, as amended by 2002 Iowa Acts, chapter 50 1174, section 8, is amended to read as follows:

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1	2. There is appropriated from the general fund of	
2	the state to the endowment for Iowa's health account	
3	of the tobacco settlement trust fund created in	
4	section 12E.12, for the designated fiscal years, the	
5	following amounts, to be used for the purposes	
6	specified in section 12E.12 for the endowment for	
7	Iowa's health account:	
8	FY 2001-2002	\$ 7,248,000
9	FY 2003-2004	\$ 28,251,000
10		<u>0</u>
11	FY 2004-2005	\$ 29,785,000
12	FY 2005-2006	\$ 29,562,000
13	FY 2006-2007	\$ 17,773,000
14	Sec. 39. 2002 Iowa Acts, chapter 1173, section 18,	
15	is amended to read as follows:	
16	SEC. 18. POOLED TECHNOLOGY FUNDING - PR	IOR
17	ALLOCATIONS - NONREVERSION. Notwithstanding	ng section
18	8.33, moneys appropriated and allocated in 2001 Iowa	
19	Acts, chapter 189, section 5, subsection 1, which	
20	remain unobligated or unexpended at the close of the	
21	fiscal year for which they were appropriated shall not	
22	revert, but shall remain available for expenditure for	
23	the purposes for which they were appropriated and	
24	allocated, for the fiscal <del>year</del> <u>period</u> beginning July	

- 25 1, 2002, and ending June 30, 2003 2004.
- 26 Sec. 40. 2002 Iowa Acts, Second Extraordinary
- 27 Session, chapter 1001, section 33, is amended to read
- 28 as follows:
- 29 SEC. 33. EFFECTIVE DATE APPLICABILITY. The
- $30 \quad amendments \ to \ the \ following \ designated \ Code \ provisions$
- 31 in this division of this Act take effect July 1, 2003
- 32 <u>2004</u>:
- 33 1. Section 8.55, subsection 2, paragraph "a".
- 34 2. Section 8.56, subsection 4, paragraph "b".
- 35 3. Section 8.57, subsection 1, paragraph "a".
- 36 Sec. 41. FRANCHISE TAX REVENUE ALLOCATION. There
- 37 is appropriated from the franchise tax revenues
- 38 deposited in the general fund of the state to the
- 39 department of revenue and finance for the fiscal year
- 40 beginning July 1, 2003, and ending June 30, 2004,
- 41 \$8,800,000 to be allocated as follows:
- 42 1. Sixty percent to the general fund of the city
- 43 from which the tax is collected.
- 44 2. Forty percent to the county from which the tax
- 45 is collected.
- 46 If the financial institution maintains one or more
- 47 offices for the transaction of business, other than
- 48 its principal office, a portion of its franchise tax
- 49 shall be allocated to each office, based upon a
- 50 reasonable measure of the business activity of each

- 1 office. The director of revenue and finance shall
- 2 prescribe, for each type of financial institution, a
- 3 method of measuring the business activity of each
- 4 office. Financial institutions shall furnish all
- 5 necessary information for this purpose at the request
- 6 of the director. The allocation shall be distributed
- 7 quarterly.
- 8 Sec. 42. 2003 Iowa Acts, Senate File 453, section
- 9 28, if enacted, is repealed.
- 10 RACING AND GAMING COMMISSION
- 11 Sec. 43. 2002 Iowa Acts, Second Extraordinary
- 12 Session, chapter 1003, section 9, subsection 1, is
- 13 amended to read as follows:
- 14 1. RACETRACK REGULATION
- 15 There is appropriated from the general fund of the
- 16 state to the racing and gaming commission of the
- 17 department of inspections and appeals for the fiscal
- 18 year beginning July 1, 2002, and ending June 30, 2003,
- 19 the following amount, or so much thereof as is
- 20 necessary, to be used for the purposes designated:
- 21 For salaries, support, maintenance, and
- 22 miscellaneous purposes for the regulation of pari-
- 23 mutuel racetracks, and for not more than the following

24	full-time equivalent positions:
25	\$ <del>2,083,762</del>
26	2,163,762
27	FTEs 24.78
28	Of the funds appropriated in this subsection,
29	\$85,576 shall be used to conduct an extended harness
30	racing season.
31	Sec. 44. 2003 Iowa Acts, <u>House File 655</u> , section
32	24, if enacted, is amended to read as follows:
33	SEC. 24. READY TO WORK PROGRAM COORDINATOR. There
34	is appropriated from the surplus funds in the long-
35	term disability reserve fund and the workers'
36	compensation trust fund to the department of personnel
37	for the fiscal year beginning July 1, 2003, and ending
38	June 30, 2004, the following amount, or so much
39	thereof as is necessary, to be used for the purposes
<b>40</b>	designated:
41	For the salary, support, and miscellaneous expenses
42	for the ready to work program and coordinator:
43	\$ 89,416
44	The moneys appropriated pursuant to this section
45	shall be taken in equal proportions from the long term
46	disability reserve fund and the workers' compensation
47	trust fund.
48	Sec. 45. 2003 Iowa Acts, <u>House File 655</u> , section
49	34, if enacted, is amended to read as follows:
<b>50</b>	SEC. 34. READY TO WORK PROGRAM COORDINATOR. There
Pa	ge 16
1	is appropriated from the surplus funds in the long-
2	term disability reserve fund and the workers'
3	compensation trust fund to the department of
4	administrative services for the fiscal year beginning
5	July 1, 2003, and ending June 30, 2004, the following
6	amount, or so much thereof as is necessary, to be used
7	for the purposes designated:
8	For the salary, support, and miscellaneous expenses
9	for the ready to work program and coordinator:
10	\$ 89,416
11	The moneys appropriated pursuant to this section
12	shall be taken in equal proportions from the long-term
13	disability reserve fund and the workers' compensation
14	trust fund.
15	Sec. 46. CONTINGENT CASH RESERVE APPROPRIATION.
16	1. There is appropriated from the cash reserve
17	fund to the general fund of the state for the fiscal
18	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
	year beginning July 1, 2002, and ending June 30, 2003,
19	year beginning July 1, 2002, and ending June 30, 2003, for the purposes of reducing or preventing any
19 20	
	for the purposes of reducing or preventing any

- 23 contingent upon all of the following having occurred:
- 24 a. The revenue estimating conference estimate of
- 25 general fund receipts made during the last quarter of
- 26 the fiscal year was or the actual fiscal year receipts
- 27 and accruals were at least one-half of one percent
- 28 less than the comparable estimate made during the
- 29 third quarter of the fiscal year.
- 30 b. The governor has implemented the uniform
- 31 reductions in appropriations required in section 8.31
- 32 as a result of paragraph "a" and such reduction was
- 33 insufficient to prevent an overdraft on or deficit in
- 34 the general fund of the state or the governor did not
- 35 implement uniform reductions in appropriations because
- 36 of the lateness of the estimated or actual receipts
- 37 and accruals under paragraph "a".
- 38 c. The balance of the general fund of the state at
- 39 the end of the fiscal year prior to the appropriation
- 40 made in subsection 1 was negative.
- 41 d. The governor has issued an official
- 42 proclamation and has notified the cochairpersons of
- 43 the fiscal committee of the legislative council and
- 44 the legislative services agency that the contingencies
- 45 in paragraphs "a" through "c" have occurred and the
- 46 reasons why the uniform reductions specified in
- 47 paragraph "b" were insufficient or were not
- 48 implemented to prevent an overdraft on or deficit in
- 49 the general fund of the state.
- 50 3. If an appropriation is made pursuant to

- 1 subsection 1 for a fiscal year, there is appropriated
- 2 from the general fund of the state to the cash reserve
- 3 fund for the following fiscal year, the amount of the
- 4 appropriation made pursuant to subsection 1.
- 5 Sec. 47. EFFECTIVE DATE. The following provisions
- 6 of this division of this Act, being deemed of
- 7 immediate importance, take effect upon enactment:
- 8 1. The section appropriating moneys from the keep
- 9 Iowa beautiful fund.
- 10 2. The section amending 2002 Iowa Acts, chapter
- 11 1173, section 18, relating to the nonreversion of
- 12 pooled technology funding.
- 13 3. The section appropriating moneys from the cash
- 14 reserve fund for the military pay differential
- 15 program. This section applies retroactively to March
- 16 19, 2003.
- 17 4. The section appropriating moneys from the
- 18 assisted living program fund.
- 19 5. The section making the contingent appropriation
- 20 from the cash reserve fund.
- 21 6. The section amending 2002 Iowa Acts, Second

- 22 Extraordinary Session, chapter 1003, section 9, 23 relating to racetrack regulation. 7. The amendment to section 96.9. 24 DIVISION V 25 26 COMPENSATION AND BENEFITS 27 Sec. 48. COLLECTIVE BARGAINING AGREEMENTS FUNDED - GENERAL FUND. There is appropriated from the 29 general fund of the state to the salary adjustment 30 fund for distribution by the department of management 31 to the various state departments, boards, commissions, 32 councils, and agencies, and to the state board of 33 regents for those persons employed at the state school 34 for the deaf and the Iowa braille and sight saving 35 school, for the fiscal year beginning July 1, 2003, 36 and ending June 30, 2004, the amount of \$28,000,000, or so much thereof as may be necessary, to fully fund 38 annual pay adjustments, expense reimbursements, and 39 related benefits implemented pursuant to the 40 following: 41 1. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the blue 43 collar bargaining unit. 2. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the public safety bargaining unit. 47 3. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the security bargaining unit. 4. The collective bargaining agreement negotiated Page 18 pursuant to chapter 20 for employees in the technical bargaining unit. 5. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the professional fiscal and staff bargaining unit. 6. The collective bargaining agreement negotiated

- pursuant to chapter 20 for employees in the clerical
- bargaining unit. 8
- 7. The collective bargaining agreement negotiated
- 10 pursuant to chapter 20 for employees in the
- professional social services bargaining unit.
- 8. The collective bargaining agreement negotiated
- pursuant to chapter 20 for employees in the community-13
- 14 based corrections bargaining unit.
- 9. The collective bargaining agreements negotiated
- 16 pursuant to chapter 20 for employees in the judicial
- branch of government bargaining units.
- 10. The collective bargaining agreement negotiated
- 19 pursuant to chapter 20 for employees in the patient
- 20 care bargaining unit.

- 21 11. The collective bargaining agreement negotiated
- 22 pursuant to chapter 20 for employees in the science
- 23 bargaining unit.
- 24 12. The annual pay adjustments, related benefits,
- 25 and expense reimbursements referred to in the sections
- 26 of this division of this Act for employees not covered
- 27 by a collective bargaining agreement.
- 28 Of the amount appropriated in this section,
- 29 \$2,668,000 shall be allocated to the judicial branch
- 30 for the purpose of funding annual pay adjustments,
- 31 expense reimbursements, and related benefits
- 32 implemented for judicial branch employees. In
- 33 distributing the remainder of the amount appropriated
- 34 in this section, the department of management, in
- 35 order to address essential public protection functions
- 36 and recognizing the availability of funds appropriated
- 37 in other Acts of the general assembly and other
- 38 sources, shall give priority, in descending order, to
- 39 the department of corrections, department of human
- 40 services, and department of public safety, and then to
- 41 the remaining state departments, boards, commissions,
- 42 councils, and agencies to which the appropriation is
- 43 applicable.
- 44 Sec. 49. NONCONTRACT STATE EMPLOYEES GENERAL.
- 45 1. a. For the fiscal year beginning July 1, 2003,
- 46 the maximum salary levels of all pay plans provided
- 47 for in section 19A.9, subsection 2, as they exist for
- 48 the fiscal year ending June 30, 2003, shall be
- 49 increased by 2 percent for the pay period beginning
- 50 June 20, 2003, and any additional changes in the pay

- 1 plans shall be approved by the governor.
- b. For the fiscal year beginning July 1, 2003,
- 3 employees may receive a step increase or the
- 4 equivalent of a step increase.
- 5 2. The pay plans for state employees who are
- 6 exempt from chapter 19A and who are included in the
- 7 department of revenue and finance's centralized
- 8 payroll system shall be increased in the same manner
- 9 as provided in subsection 1, and any additional
- 10 changes in any executive branch pay plans shall be
- 11 approved by the governor. However, commencing July 1,
- 12 2003, the consumer advocate shall receive an annual
- 13 salary in the same salary range as the chairperson and
- 14 members of the utilities board.
- 15 3. This section does not apply to members of the
- 16 general assembly, board members, commission members,
- 17 salaries of persons set by the general assembly in
- 18 statute, salaries of appointed state officers set by
- 19 the governor, other persons designated, employees

- 20 designated under section 19A.3, subsection 5, and
- employees covered by 581 IAC 4.6(3).
- 4. The pay plans for the bargaining eligible
- 23 employees of the state shall be increased in the same
- 24 manner as provided in subsection 1, and any additional
- 25 changes in such executive branch pay plans shall be
- 26 approved by the governor. As used in this section,
- "bargaining eligible employee" means an employee who 27
- 28 is eligible to organize under chapter 20, but has not
- 29
- 30 5. The policies for implementation of this section
- 31 shall be approved by the governor.
- Sec. 50. STATE EMPLOYEES STATE BOARD OF
- 33 REGENTS.
- 1. Funds from the appropriation made in this
- division of this Act from the general fund of the
- 36 state to the salary adjustment fund shall be allocated
- 37 by the department of management to the state board of
- 38 regents for the purposes of providing increases for
- 39 state board of regents employees at the state school
- 40 for the deaf and the Iowa braille and sight saving
- 41 school who are addressed by that appropriation and 42 employees of the schools who are not covered by a
- 43 collective bargaining agreement.
- 2. The state board of regents office and the state
- 45 university of Iowa, Iowa state university of science
- and technology, and the university of northern Iowa
- 47 shall provide from available sources pay adjustments,
- 48 expense reimbursements, and related benefits to fully
- 49 fund the following:
- a. The collective bargaining agreement negotiated

- pursuant to chapter 20 for employees in the university
- of northern Iowa faculty bargaining unit.
- b. The collective bargaining agreement negotiated
- pursuant to chapter 20 for employees in the patient
- care bargaining unit.
- c. The collective bargaining agreement negotiated 6
- pursuant to chapter 20 for employees in the science
- R bargaining unit.
- d. The collective bargaining agreement negotiated
- pursuant to chapter 20 for employees in the state
- 11 university of Iowa graduate student bargaining unit.
- e. The collective bargaining agreement negotiated
- 13 pursuant to chapter 20 for employees in the state
- 14 university of Iowa hospital and clinics tertiary
- 15 health care bargaining unit.
- f. The collective bargaining agreement negotiated
- 17 pursuant to chapter 20 for employees in the blue
- 18 collar bargaining unit.

19 g. The collective bargaining agreement negotiated 20 pursuant to chapter 20 for employees in the public 21 safety bargaining unit. h. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the security 24 bargaining unit. i. The collective bargaining agreement negotiated 26 pursuant to chapter 20 for employees in the technical 27 bargaining unit. j. The collective bargaining agreement negotiated 29 pursuant to chapter 20 for employees in the 30 professional fiscal and staff bargaining unit. k. The collective bargaining agreement negotiated 32 pursuant to chapter 20 for employees in the clerical bargaining unit. l. The annual pay adjustments, related benefits, 35 and expense reimbursements referred to in the sections 36 of this division of this Act for employees not covered 37 by a collective bargaining agreement. Sec. 51. APPROPRIATIONS FROM ROAD FUNDS. 38 1. There is appropriated from the road use tax 40 fund to the salary adjustment fund for the fiscal year beginning July 1, 2003, and ending June 30, 2004, the 41 42 following amount, or so much thereof as may be 43 necessary, to be used for the purpose designated: To supplement other funds appropriated by the general assembly: .....\$ 3,000,000 46 2. There is appropriated from the primary road 47 48 fund to the salary adjustment fund, for the fiscal year beginning July 1, 2003, and ending June 30, 2004, 50 the following amount, or so much thereof as may be Page 21 necessary, to be used for the purpose designated: To supplement other funds appropriated by the general assembly: ......\$ 12,000,000 3. Except as otherwise provided in this division 5 of this Act, the amounts appropriated in subsections 1 and 2 shall be used to fund the annual pay adjustments, expense reimbursements, and related benefits for public employees as provided in this 10 division of this Act. 11 Sec. 52. SPECIAL FUNDS - AUTHORIZATION. To 12 departmental revolving, trust, or special funds, 13 except for the primary road fund or the road use tax 14 fund, for which the general assembly has established 15 an operating budget, a supplemental expenditure 16 authorization is provided, unless otherwise provided, 17 in an amount necessary to fund salary adjustments as

18 otherwise provided in this division of this Act. Sec. 53. GENERAL FUND SALARY MONEYS. Funds 20 appropriated from the general fund of the state in 21 this division of this Act relate only to salaries supported from general fund appropriations of the 23 state except for employees of the state board of 24 regents at the state school for the deaf and the Iowa 25 braille and sight saving school. The funds 26 appropriated from the general fund of the state for employees at the state school for the deaf and the 28 Iowa braille and sight saving school of the state 29 board of regents shall exclude general university 30 indirect costs and general university federal funds. 31 Sec. 54. FEDERAL FUNDS APPROPRIATED. All federal grants to and the federal receipts of the agencies affected by this division of this Act which are 34 received and may be expended for purposes of this 35 division of this Act are appropriated for those 36 purposes and as set forth in the federal grants or 37 receipts. Sec. 55. STATE TROOPER MEAL ALLOWANCE. The sworn peace officers in the department of public safety who 40 are not covered by a collective bargaining agreement 41 negotiated pursuant to chapter 20 shall receive the 42 same per diem meal allowance as the sworn peace 43 officers in the department of public safety who are 44 covered by a collective bargaining agreement 45 negotiated pursuant to chapter 20. Sec. 56. SALARY MODEL COORDINATOR. Of the funds appropriated in this division of this Act from the

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1 salary model coordinator who shall work in conjunction

department of management for salary and support of the

general fund of the state, \$126,767 for the fiscal year beginning July 1, 2003, is allocated to the

- with the legislative fiscal bureau to maintain the
- 3 state's salary model used for analyzing, comparing,
- 4 and projecting state employee salary and benefit
- 5 information, including information relating to
- employees of the state board of regents. The
- department of revenue and finance, the department of
- personnel, the five institutions under the
- 9 jurisdiction of the state board of regents, the eight
- 10 judicial district departments of correctional
- 11 services, and the state department of transportation
- 12 shall provide salary data to the department of
- 13 management and the legislative fiscal bureau to
- 14 operate the state's salary model. The format and
- 15 frequency of provision of the salary data shall be
- 16 determined by the department of management and the

27

17 legislative fiscal bureau. The information shall be 18 used in collective bargaining processes under chapter 19 20 and in calculating the funding needs contained 20 within the annual salary adjustment legislation. A 21 state employee organization as defined in section 22 20.3, subsection 4, may request information produced 23 by the model, but the information provided shall not 24 contain information attributable to individual 25 employees. 26

#### **DIVISION VI**

#### CORRECTIVE PROVISIONS

28 Sec. 57. Section 8A.202, subsection 2, paragraph e, if enacted by 2003 Iowa Acts, House File 534, is amended by striking the paragraph and inserting in 31 lieu thereof the following:

e. Developing and maintaining an electronic 33 repository for public access to reference copies of 34 agency mandated reports, newsletters, and publications 35 in conformity with section 304B.10, subsection 1, 36 paragraph "h". The department shall develop technical standards for an electronic repository in consultation 38 with the state librarian and the state archivist. Sec. 58. 2003 Iowa Acts, House File 289, section 39

40 1, is amended by striking the section and inserting in 41 lieu thereof the following:

SECTION 1. Section 12C.1, subsection 2, paragraph 43 e, Code 2003, as amended by 2003 Iowa Acts, Senate 44 File 395, is amended by adding the following new

45 subparagraph:

NEW SUBPARAGRAPH. (6) Moneys placed in a depository for the purpose of completing an electronic financial transaction pursuant to section 8A.222 or

49 331.427.

Sec. 59. Section 99E.9, subsection 2, Code 2003, 50

#### Page 23

as amended by 2003 Iowa Acts, House File 171, section

31, is amended to read as follows:

2. Subject to the approval of the board, the

commissioner may enter into contracts for the

operation and marketing of the lottery, except that

the board may by rule designate classes of contracts

other than major procurements which do not require

prior approval by the board. A major procurement

9 shall be as the result of competitive bidding with the

10 contract being awarded to the responsible vendor

11 submitting the lowest and best proposal. However,

12 before a contract for a major procurement is awarded,

13 the division of criminal investigation of the

14 department of public safety shall conduct a thorough

15 background investigation of the vendor to whom the

- 16 contract is to be awarded. The commissioner and board
- shall consult with the division of criminal
- 18 investigation and shall provide, by rule, for the
- 19 scope of the thorough background investigations and
- 20 due diligence with regard to the background
- 21 investigations to be conducted in connection with
- 22 major procurements. The vendor shall submit to the
- 23 division of criminal investigation appropriate
- 24 investigation authorizations to facilitate this
- investigation. The background investigation by the
- 26 division of criminal investigation may include a
- 27 national criminal history record check through the
- 28 federal bureau of investigation. The screening of
- 29 vendors or their employees through the federal bureau
- of investigation shall be conducted by submission of
- fingerprints through the state criminal history
- 32 repository to the federal bureau of investigation. As
- 33 used in this subsection, "major procurement" means
- 34 consulting agreements and the major procurement
- contract with a business organization for the printing 35
- of tickets, or for purchase or lease of equipment or
- services essential to the operation of a lottery game. 37
- Sec. 60. Section 99G.10, subsection 2, if enacted
- 39 by 2003 Iowa Acts, Senate File 453, section 72, is
- amended to read as follows:
- 41 2. Subject to the approval of the board, the chief
- executive officer shall have the sole power to
- designate particular employees as key personnel, but
- 44 may take advice from the department of personnel in
- 45 making any such designations. All key personnel shall
- 46 be exempt from the merit system described in chapter
- 19A 8A, article 4. The chief executive officer and
- 48 the board shall have the sole power to employ,
- classify, and fix the compensation of key personnel.
- 50 All other employees shall be employed, classified, and

- compensated in accordance with chapters 19A chapter
- 8A, article 4, and chapter 20.
- Sec. 61. Section 99G.22, subsection 1, if enacted
- 4 by 2003 Iowa Acts, Senate File 453, is amended to read
- as follows:
- 1. The authority shall investigate the financial
- responsibility, security, and integrity of any lottery
- system vendor who is a finalist in submitting a bid,
- proposal, or offer as part of a major procurement
- 10 contract. Before a major procurement contract is
- awarded, the division of criminal investigation of the
- department of public safety shall conduct a background
- 13 investigation of the vendor to whom the contract is to
- 14 be awarded. The chief executive officer and board

- 15 shall consult with the division of criminal
- 16 investigation and shall provide for the scope of the
- 17 background investigation and due diligence to be
- 18 conducted in connection with major procurement
- 19 contracts. At the time of submitting a bid, proposal,
- 20 or offer to the authority on a major procurement
- 21 contract, the authority shall require that each vendor
- 22 submit to the division of criminal investigation
- 23 appropriate investigation authorization to facilitate
- 24 this investigation, together with an advance of funds
- 25 to meet the anticipated investigation costs. If the
- 26 division of criminal investigation determines that
- 27 additional funds are required to complete an
- 28 investigation, the vendor will be so advised. The
- 29 background investigation by the division of criminal
- 30 investigation may include a national criminal history
- 31 record check through the federal bureau of
- 32 investigation. The screening of vendors or their
- 33 employees through the federal bureau of investigation
- 34 shall be conducted by submission of fingerprints
- 35 through the state criminal history record repository
- 36 to the federal bureau of investigation.
- 37 Sec. 62. Section 99G.37, subsection 2, if enacted
- 38 by 2003 Iowa Acts, Senate File 453, section 90, is
- 39 amended to read as follows:
- 40 2. In any bidding process, the authority may
- 41 administer its own bidding and procurement or may
- 42 utilize the services of the department of general
- 43 <u>administrative</u> services<del>, or its successor,</del> or other
- 44 state agency.
- 45 Sec. 63. Section 99G.38, subsection 3, if enacted
- 46 by 2003 Iowa Acts, Senate File 453, section 91, is
- 47 amended to read as follows:
- 48 3. The state of Iowa offset program, as provided
- 49 in section 421.17 8A.504, shall be available to the
- 50 authority to facilitate receipt of funds owed to the

- 1 authority.
- 2 Sec. 64. Section 135.150, subsection 3, as enacted
- 3 by 2003 Iowa Acts, House File 396, section 1, is
- 4 amended to read as follows:
- 5 3. "Director" means the director or the director's
- 6 designee of public health or the director's designee.
- 7 Sec. 65. Section 135.154, subsection 7, as enacted
- 8 by 2003 Iowa Acts, House File 396, section 5, is
- 9 amended to read as follows:
- 10 7. Treat or order that individuals exposed to or
- 11 infected with disease receive treatment or
- 12 prophylaxis. Treatment or prophylaxis shall be
- 13 administered by any qualified person authorized to do

- 14 so by the department. Treatment or prophylaxis shall15 not be provided or ordered if the treatment or
- 16 prophylaxis is reasonably likely to lead to serious
- 17 harm to the affected individual. To prevent the
- $18 \quad spread \ of \ communicable \ or \ potentially \ communicable$
- 19 disease, the department may isolate or quarantine,
- 20 pursuant to chapter 139A and the rules implementing
- 21 chapter 139A and this division of this chapter, any
- 22 individual who is unable or unwilling to undergo
- 23 treatment or prophylaxis pursuant to this section.
- 24 Sec. 66. Section 170.6, subsection 1, paragraph b,
- 25 if enacted by 2003 Iowa Acts, House File 624, is
- 26 amended to read as follows:
- 27 b. Failed to provide notice or access to the
- 28 department of natural resources and the department of
- 29 <u>agriculture and land stewardship</u> as required by
- 30 section 170.5.
- 31 Sec. 67. Section 231.56A, if enacted by 2003 Iowa
- 32 Acts, Senate File 416, section 1, is amended to read
- 33 as follows:
- 34 231.56A ELDER ABUSE INITIATIVE, EMERGENCY SHELTER,
- 35 AND SUPPORT SERVICES PROJECTS.
- 6 1. Through the state's service contract process
- 37 adopted pursuant to section 8.47, the department shall
- 38 identify area agencies on aging that have demonstrated
- 39 the ability to provide a collaborative response to the
- 40 immediate needs of elders in the area agency on aging
- 41 service area for the purpose of implementing elder
- 42 abuse <u>initiative</u>, emergency shelter, and support
- 43 services projects. The projects shall be implemented
- 44 only in the counties within an area agency on aging
- 45 service area that have a multidisciplinary team
- 46 established pursuant to section 235B.1.
- 47 2. The target population of the projects shall be
- 48 any elder residing in the service area of an area
- 49 agency on aging who meets both of the following
- 50 conditions:

- a. Is the subject of a report of suspected
- 2 dependent adult abuse pursuant to chapter 235B.
- 3 b. Is not receiving assistance under a county
- 4 management plan approved pursuant to section 331.439.
- 5 3. The area agencies on aging implementing the
- 6 projects shall identify allowable emergency shelter
- 7 and support services, state funding, outcomes,
- 8 reporting requirements, and approved community
- 9 resources from which services may be obtained under
- 10 the projects. The area agency on aging shall identify
- 11 at least one provider of case management services for
- 12 the project area.

4. The area agencies on aging shall implement the 14 projects and shall coordinate the provider network 15 through the use of referrals or other engagement of 16 community resources to provide services to elders. 17 5. The department shall award funds to the area 18 agencies on aging in accordance with the state's 19 service contract process. Receipt and expenditures of 20 moneys under the projects are subject to examination, 21 including audit, by the department. 6. This section shall not be construed and is not 23 intended as, and shall not imply, a grant of 24 entitlement for services to individuals who are not 25 otherwise eligible for the services or for utilization 26 of services that do not currently exist or are not 27 otherwise available. Sec. 68. Section 232.71B, subsection 7A, if 29 enacted by 2003 Iowa Acts, House File 558, section 1, 30 is amended to read as follows: 7A. PROTECTIVE DISCLOSURE. If the department 32 determines that disclosure is necessary for the protection of a child, the department may disclose to 34 a subject of a child abuse report referred to in 35 section 235A.15, subsection 2, paragraph "a", that an 36 individual is listed in the child or dependent adult 37 abuse registry or is required to register with the sex 38 offender registry in accordance with chapter 692A. Sec. 69. Section 235B.3, subsection 6A, if enacted 40 by 2003 Iowa Acts, House File 558, section 2, is 41 amended to read as follows: 6A. If the department determines that disclosure 43 is necessary for the protection of a dependent adult, the department may disclose to a subject of a dependent adult abuse report referred to in section 46 235B.6, subsection 2, paragraph "a", that an 47 individual is listed in the child or dependent adult 48 abuse registry or is required to register with the sex offender registry in accordance with chapter 692A. Sec. 70. Section 304B.3, subsections 4, 8, and 9,

- 1 if enacted by 2003 Iowa Acts, <u>House File 648</u>, section
- 2 6. are amended to read as follows:
- 4. The director of revenue and finance.
- 4 8. The director of the department of general
- 5 <u>administrative</u> services.
- 6 9. The director of the information technology
- 7 department.
- 8 Sec. 71. Section 321.69, subsection 9, as amended
- 9 by 2003 Acts, House File 502, section 3, is amended to
- 10 read as follows:
- 11 9. This Except for subsection 9A, this section

12 does not apply to motor trucks and truck tractors with 13 a gross vehicle weight rating of sixteen thousand 14 pounds or more, vehicles more than nine model years 15 old, motorcycles, motorized bicycles, and special 16 mobile equipment. This section does apply to motor 17 homes. The requirement in subsection 1 that the new 18 certificate of title and registration receipt shall 19 state on the face of the title the total cumulative 20 dollar amount of damage does not apply to a vehicle with a certificate of title bearing a designation that 22 the vehicle was previously titled on a salvage 23 certificate of title pursuant to section 321.52, 24 subsection 4, paragraph "b", or to a vehicle with a 25 certificate of title bearing a "REBUILT" or "SALVAGE" 26 designation pursuant to section 321.24, subsection 4 27 or 5. This Except for subsection 9A, this section 28 does not apply to new motor vehicles with a true 29 mileage, as defined in section 321.71, of one thousand 30 miles or less, unless such vehicle has incurred damage 31 as defined in subsection 2. Sec. 72. Section 356.7, subsection 1, as amended 33 by 2003 Iowa Acts, House File 650, section 1, if 34 enacted, is amended to read as follows: 1. The county sheriff, or a municipality operating 36 a temporary municipal holding facility or jail, may 37 charge a prisoner who is eighteen years of age or older and who has been convicted of a criminal offense 39 or sentenced for contempt of court for violation of a 40 domestic abuse order for the actual administrative 41 costs relating to the arrest and booking of that 42 prisoner, and for room and board provided to the prisoner while in the custody of the county sheriff or 44 municipality. Moneys collected by the sheriff or 45 municipality under this section shall be credited 46 respectfully respectively to the county general fund 47 or the city general fund and distributed as provided 48 in this section. If a prisoner who has been convicted of a criminal offense or sentenced for contempt of court for violation of a domestic abuse order fails to

- pay for the administrative costs and the room and
- board, the sheriff or municipality may file a room and
- board reimbursement claim with the district court as
- provided in subsection 2. The county attorney may
- file the reimbursement claim on behalf of the sheriff
- and the county or the municipality. The attorney for
- the municipality may also file a reimbursement claim
- on behalf of the municipality. This section does not
- apply to prisoners who are paying for their room and
- 10 board by court order pursuant to sections 356.26

11 through 356.35. 12 Sec. 73. Section 459.401, subsection 2, paragraph 13 a, subparagraph (3A), if enacted by 2003 Iowa Acts, 14 House File 644, section 18, is amended to read as 15 follows: (3A) A commercial manure service license fee as 16 17 provided in section 359.316 459.316. Sec. 74. Section 505A.1, article V, section 2, 19 paragraph a, subparagraph (3), if enacted by 2003 Iowa Acts, House File 647, section 54, is amended to read 21 as follows: (3) Four members from those compacting states with 23 less than two percent of the market, based on the 24 premium volume described in subparagraph (1), with one selected from each of the four zone regions of the 26 national association of insurance commissioners as 27 provided in the bylaws. Sec. 75. Section 508.31A, subsection 2, paragraph 29 b, Code 2003, as amended by 2003 Iowa Acts, House File 30 647, section 7, if enacted, is amended to read as 32 b. A funding agreement issued pursuant to 33 paragraph "a", subparagraph (1), (2), or (3), shall be 34 for a total amount of not less than one million 35 dollars. 36 Sec. 76. Section 692A.13, subsection 9, if enacted 37 by 2003 Iowa Acts, House File 558, section 3, is 38 amended to read as follows: 9. If the department of human services determines 40 that disclosure is necessary for the protection of a 41 child or a dependent adult, the department may disclose to a subject of a child abuse report referred 43 to in section 235A.15, subsection 2, paragraph "a", or 44 to a subject of a dependent adult abuse report 45 referred to in section 235B.6, subsection 2, paragraph 46 "a", that an individual is listed in the child or 47 dependent adult abuse registry or is required to 48 register under this chapter. Sec. 77. Section 901.5, subsection 7A, paragraph 50 d, as enacted by 2003 Iowa Acts, House File 404,

- 1 section 1, is amended to read as follows:
- 2 d. Violation of a no-contact order issued under
- 3 this section is punishable by summary contempt
- 4 proceedings. A hearing in a contempt proceeding
- 5 brought pursuant to this subsection shall be held not
- 6 less than five days and not more than fifteen days
- 7 after the issuance of a rule to show cause, as set by
- 8 the court, unless the defendant is already in custody
- 9 at the time of the alleged violation in which case the

10 hearing shall be held not less than five days and not 11 more than forty-five days after the issuance of the 12 rule to show cause. 13 Sec. 78. 2003 Iowa Acts, Senate File 155, section 14 26, is repealed. Sec. 79. 2003 Iowa Acts, Senate File 155, section 15 16 56, is repealed. Sec. 80. 2003 Iowa Acts, Senate File 453, section 17 18 44, subsection 8, if enacted, is amended to read as 8. STATUTORY REQUIREMENTS. The requirements of 20 21 sections 18.6 8A.311 and 72.3 and the administrative 22 rules implementing section 8.47 are not applicable to 23 the services procurement process used to implement the 24 outcomes-based service system redesign in accordance with this section. The department of human services 26 may enter into competitive negotiations and proposal modifications with each successful contractor as 28 necessary to implement the provisions of this section. Sec. 81. 2003 Iowa Acts, House File 601, section 29 2, is amended by striking the section and inserting in 31 lieu thereof the following: SEC. 2. Section 56.5, subsection 2, paragraph d, 33 Code 2003, is amended by striking the paragraph. Sec. 82. 2003 Iowa Acts, House File 624, section 34 35 22. if enacted, is amended to read as follows: SEC. 22. HUNTING PRESERVES AND GAME BREEDERS -37 AUTOMATIC CERTIFICATION. Any A fence enclosing farm 38 deer kept on land which is owned by a person licensed 39 pursuant to section 484B.5 or 481A.61 and which is enclosed with a fence on the effective date of this Act shall be deemed to comply with construction requirements of section 170.4 and shall be 43 automatically certified by the department of 44 agriculture and land stewardship without submitting 45 <u>submission of</u> an application. The landowner is not 46 required to notify the department of natural resources concerning removal of whitetail as otherwise required pursuant to section 170.5. Sec. 83. 2003 Iowa Acts, House File 648, section 50 1, if enacted, is repealed.

- 1 Sec. 84. CONTINGENT EFFECTIVE DATES.
- 2 1. The section of this division of this Act
- 3 amending section 8A.202, subsection 2, if enacted by
- 4 2003 Iowa Acts, House File 534, takes effect if House
- 5 File 648, relating to the management of state archives
- 6 and records, is enacted by the Eightieth General
- 7 Assembly, 2003 Regular Session.
- 8 1. The sections of this division of this Act

9 amending sections 12C.1, 99G.10, 99G.37, and 99G.38 10 take effect only if House File 534 is enacted by the 11 Eightieth General Assembly, 2003 Regular Session. 2. The sections of this division of this Act 13 amending section 304B.3, if enacted by 2003 Iowa Acts, 14 House File 648, and repealing 2003 Iowa Acts, House 15 File 648, section 1, if enacted, take effect if House 16 File 534, establishing a department of administrative 17 services, is enacted by the Eightieth General 18 Assembly, 2003 Regular Session. 3. The section of this division of this Act 19 20 repealing 2003 Iowa Acts, Senate File 155, section 26, 21 takes effect if 2003 Iowa Acts, House File 614, 22 relating to elections, is enacted by the Eightieth 23 General Assembly, 2003 Regular Session. 24 **DIVISION VII** MISCELLANEOUS PROVISIONS 25 26 Sec. 85. Section 7J.1, subsection 1, if enacted by 27 2003 Iowa Acts, Senate File 453, is amended to read as 28 follows: 7J.1 CHARTER AGENCIES. 1. DESIGNATION OF CHARTER AGENCIES – PURPOSE. 31 The governor may, by executive order, designate up to 32 five state departments or agencies, as described in 33 section 7E.5, other than the department of 34 administrative services, if the department is 35 established in law, or the department of management, 36 as a charter agency by July 1, 2003. The designation 37 of a charter agency shall be for a period of five 38 years which shall terminate as of June 30, 2008. The 39 purpose of designating a charter agency is to grant 40 the agency additional authority as provided by this 41 chapter while reducing the total appropriations to the agency. Sec. 86. Section 7J.1, subsection 3, paragraph a, 44 if enacted by 2003 Iowa Acts, Senate File 453, is amended to read as follows: a. It is the intent of the general assembly that state general fund operating appropriations to a 47 48 charter agency for any the fiscal year beginning July 49 1, 2003, and ending June 30, 2004, shall be reduced, 50 with a target reduction of ten percent for each

- 1 charter agency, from the appropriation that would
- 2 otherwise have been enacted for that charter agency
- 3 which, along with any additional generated revenue to
- 4 the general fund of the state attributed to the
- 5 reinvention process as determined by the department of
- 6 management, over that already committed to the general
- 7 fund of the state by a charter agency, will achieve an

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overall target of fifteen million dollars.
    Sec. 87. Section 7J.2, if enacted by 2003 Iowa
10 Acts, <u>Senate File 453</u>, is amended to read as follows:
    7J.2 CHARTER AGENCY <del>LOAN</del> GRANT FUND.
     1. A charter agency loan grant fund is created in
13 the state treasury under the control of the department
14 of management for the purpose of providing funding to
15 support innovation by those state agencies designated
16 as charter agencies in accordance with section 7J.1.
    Innovation purposes shall include but are not limited
18 to training, development of outcome measurement
19 systems, management system modifications, and other
20 modifications associated with transition of operations
21 to charter agency status. Moneys in the fund are
    appropriated to the department of management for the
    purposes described in this subsection.
    2. A charter agency requesting a loan grant from
25 the fund shall complete an application process
26 designated by the director of the department of
    management. Minimum loan requirements for charter
2.7
   agency requests shall be determined by the director.
     3. In order for the fund to be self supporting,
29
30 the director of the department of management shall
31 establish repayment schedules for each loan awarded.
32 An agency shall repay the loan over a period not to
33 exceed five years with interest, at a rate to be
34 determined by the director.
35 4. 3. Notwithstanding section 12C.7, subsection 2,
36 interest or earnings on moneys deposited in the
    charter agency loan grant fund shall be credited to
38 the charter agency loan grant fund. Notwithstanding
   section 8.33, moneys credited to the charter agency
40 loan grant fund shall not revert to the fund from
41 which appropriated at the close of a fiscal year.
    Sec. 88. Section 8.23, subsection 1, paragraph a,
43 Code 2003, is amended by striking the paragraph.
    Sec. 89. Section 8.31, Code 2003, is amended to
45 read as follows:
    8.31 QUARTERLY REQUISITIONS— ALLOTMENTS OF
46
47 APPROPRIATIONS - EXCEPTIONS - MODIFICATIONS.
    1. a. Before an appropriation for administration,
49 operation and maintenance of any department or
   establishment shall become becomes available, there
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- 1 shall be submitted the department or establishment
- 2 shall submit to the director of the department of
- 3 management, not less than twenty days before the
- 4 beginning of each quarter of each fiscal year, a
- 5 requisition for an allotment of the amount estimated
- 6 to be necessary to carry on its work appropriation

according to dates identified in the requisition during the ensuing quarter fiscal year by which portions of the appropriation will be needed. The 10 department or establishment shall submit the 11 requisition by June 1, prior to the start of a fiscal year or by another date identified by the director. 13 The requisition shall contain details of proposed 14 expenditures as may be required by the director of the department of management subject to review by the 15 governor. b. The director of the department of management 17 18 shall approve the allotments subject to review by the governor, unless it is found that the estimated budget resources during the fiscal year are insufficient to 21 pay all appropriations in full, in which event such allotments may be modified to the extent the governor 23 may deem necessary in order that there shall be no 24 overdraft or deficit in the several funds of the state 25 at the end of the fiscal year, and the director shall 26 submit copies of the allotments thus approved or modified to the head of the department or 28 establishment concerned, who shall set up such allotments on the books and be governed accordingly in 30 the control of expenditures. 31 Allotments of appropriations made for equipment, 32 land, permanent improvements, and other capital projects may, however, be allotted in one amount by 34 major classes or projects for which they are 35 expendable without regard to quarterly periods. For 36 fiscal years beginning on or after July 1, 1989, allotments of appropriations for equipment, land, 37 permanent improvements, and other capital projects, except where contracts have been entered into with 39 40 regard to the acquisition or project prior to July 1, 41 1989, shall not be allotted in one amount but shall be 42 allotted at quarterly periods as provided in this 43 section. 44 2. Allotments thus made in accordance with subsection 1 may be subsequently modified by the 45 46 director of the department of management at the direction of the governor either upon the written 48 request of the head of the department or establishment concerned, or in the event the governor finds that the estimated budget resources during the fiscal year are

- 1 insufficient to pay all appropriations in full, upon
- 2 the governor's own initiative to the extent the
- 3 governor may deem necessary in order that there shall
- 4 be no overdraft or deficit in the several funds of the
- 5 state at the end of the fiscal year; and the head of

the department or establishment shall be given notice of a modification in the same way as in the case of 8 original allotments. 3. Provided, however, that the The allotment 10 requests of all departments and establishments 11 collecting governmental fees and other revenue which 12 supplement a state appropriation shall attach to the 13 summary of requests a statement showing how much of 14 the proposed allotments are to be financed from (1) state appropriations, (2) stores, and (3) repayment 16 receipts. 17 4. The procedure to be employed in controlling the 18 expenditures and receipts of the state fair board and 19 the institutions under the state board of regents, 20 whose collections are not deposited in the state 21 treasury, is that outlined in section 421.31, 22 subsection 6. 5. If the governor determines that the estimated 24 budget resources during the fiscal year are insufficient to pay all appropriations in full, the reductions shall be uniform and prorated between all 27 departments, agencies and establishments upon the basis of their respective appropriations. 6. Allotments from appropriations for the foreign 30 trade offices of the department of economic 31 development, if the appropriations are described by line item in the department's appropriation Act or 33 another Act, may be made without regard to quarterly periods as is necessary to take advantage of the most 35 favorable foreign currency exchange rates. 36 Sec. 90. Section 8.57, subsection 1, paragraph c, Code 2003, is amended to read as follows: 38 c. The amount appropriated in this section is not 39 subject to the provisions of section 8.31, relating to quarterly requisitions and allotment, or to section 41 8.32, relating to conditional availability of 42 appropriations. Sec. 91. Section 12B.10, subsection 6, paragraph 44 d, subparagraph (4), Code 2003, is amended to read as 45 follows: (4) For investments of short-term operating funds, the funds shall not be invested in investments having effective maturities exceeding sixty-three months. Sec. 92. Section 12B.10A, subsection 6, paragraph 50 d, subparagraph (4), Code 2003, is amended to read as

- 1 follows:
- 2 (4) For investments of short-term operating funds,
- 3 the funds shall not be invested in investments having
- 4 <u>effective</u> maturities exceeding sixty-three months.

- Sec. 93. Section 12C.27, Code 2003, is amended by striking the section and inserting in lieu thereof the following: 12C.27 FAILURE TO MAINTAIN REQUIRED COLLATERAL. 8 If the treasurer of state determines that a bank 10 fails to comply with chapter 12C.22, subsections 2 and 11 3, the treasurer of state may restrict that bank from 12 accepting uninsured public funds and shall notify the office of thrift supervision, the office of the 14 comptroller of the currency, or the superintendent as applicable, who may take such action against the bank, 15 its board of directors and officers as permitted by 17 law. 18 Sec. 94. Section 12E.12, subsection 8, Code 2003, 19 is amended to read as follows: 8. With respect to the payment of certain debt 21 service, the debt service to be paid shall be those 22 installments of debt service on bonds selected by the 23 treasurer of state and identified in the authority's 24 tax certificate delivered at the time of the issuance of the bonds issued pursuant to this chapter, or as 26 otherwise selected by the treasurer of state. Once 27 the bonds and the installments of debt service thereon 28 are so selected, that debt service and bonds shall not 29 be paid, or provided to be paid, from any other source 30 including the state or any of its departments or agencies. Provided, however, that if funds are not 32 appropriated to pay debt service on such bonds when 33 due, the issuing agency shall pay such the debt 34 service from any available source as provided in the 35 bond covenants for such bonds. To the extent that this section does not allow proceeds of previously 37 issued refunding bonds to be applied for the purpose 38 of the refunding, the issuing agency may expend such
- 42 Sec. 95. Section 15E.42, subsection 3, Code 2003,
- 43 is amended to read as follows:

41 agency's authority.

44 3. "Investor" means an individual making a cash

39 proceeds to improve, remodel, or repair buildings or
 40 other infrastructure upon authorization of the issuing

- 45 investment in a qualifying business or an individual
- 46 taxed on income from a revocable trust's cash
- 47 investment in a qualifying business or a person making
- $48 \quad a \; cash \; investment \; in \; a \; community\text{-}based \; seed \; capital \;$
- 49 fund. "Investor" does not include a person which is a
- 50 current or previous owner, member, or shareholder in a

- 1 qualifying business.
- 2 Sec. 96. Section 15E.43, subsection 1, paragraph
- a, Code 2003, is amended to read as follows:

a. For tax years beginning on or after January 1, 2002, a tax credit shall be allowed against the taxes 6 imposed in chapter 422, division II, for a portion of an individual taxpayer's equity investment, as provided in subsection 2, in a qualifying business. An individual shall not claim a tax credit under this 10 paragraph of a partnership, limited liability company, 11 S corporation, estate, or trust electing to have 12 income taxed directly to the individual. However, an individual receiving income from a revocable trust's investment in a qualified business may claim a tax 14 15 credit under this paragraph against the taxes imposed 16 in chapter 422, division II, for a portion of the revocable trust's equity investment, as provided in 17 18 subsection 2, in a qualified business. Sec. 97. Section 15E.43, subsection 1, Code 2003, 20 is amended by adding the following new paragraph: 21 NEW PARAGRAPH. d. In the case of a tax credit 22 allowed against the taxes imposed in chapter 422, division II, where the taxpayer died prior to 23 redeeming the entire tax credit, the remaining credit 25 can be redeemed on the decedent's final income tax 26 27 Sec. 98. Section 15E.45, subsection 2, paragraph 28 c, Code 2003, is amended to read as follows: c. The fund has no fewer than ten individual 30 investors who are not affiliates, with no single 31 investor and affiliates of that investor together owning a total of more than twenty-five percent of the ownership interests outstanding in the fund. 34 Sec. 99. Section 15E.51, subsection 4, Code 2003, is amended to read as follows: 36 4. A taxpayer shall not claim a tax credit under 37 this section if the taxpayer is a venture capital 38 investment fund allocation manager for the Iowa fund 39 of funds created in section 15E.65 or an investor that 40 receives a tax credit for an the same investment in a community-based seed capital fund as defined in 2002 Iowa Acts, House File 2271 42 Sec. 100. Section 15E.193B, subsection 4, Code 43 2003, is amended to read as follows: 45 4. The eligible housing business shall complete its building or rehabilitation within two years from the time the business begins construction on the single-family homes and dwelling units. The failure 49 to complete construction or rehabilitation within two 50 years shall result in the eligible housing business

- 1 becoming ineligible and subject to the repayment
- ${\bf 2} \quad \text{requirements and penalties enumerated in subsection 7}.$

- 3 The department may extend the prescribed two-year
- 4 completion period for any project which has not been
- 5 completed if the department determines that completion
- 6 within the two-year period is impossible or
- 7 impractical as a result of a substantial loss caused
- 8 by flood, fire, earthquake, storm, or other
- 9 catastrophe. For purposes of this subsection,
- 10 <u>"substantial loss" means damage or destruction in an</u>
- 11 amount in excess of thirty percent of the project's
- 12 expected eligible basis as set forth in the eligible
- 13 housing business's application.
- 14 Sec. 101. NEW SECTION. 16.181 HOUSING TRUST
- 15 FUND.
- 16 1. a. A housing trust fund is created within the
- 17 authority. The moneys in the housing trust fund are
- 18 annually appropriated to the authority to be used for
- 19 the development and preservation of affordable housing
- 20 for low-income people in the state. Payment of
- $21\hspace{0.1cm}$  interest, recaptures of awards, or other repayments to
- 22 the housing trust fund shall be deposited in the fund.
- 23 Notwithstanding section 12C.7, interest or earnings on
- 24 moneys in the housing trust fund or appropriated to
- 25 the fund shall be credited to the fund.
- 26 Notwithstanding section 8.33, unencumbered and
- 27 unobligated moneys remaining in the fund at the close
- 28 of each fiscal year shall not revert but shall remain
- $29\ \$  available for expenditure for the same purposes in the
- 30 succeeding fiscal year.
- $31\,$  b. Assets in the housing trust fund shall consist
- 32 of all of the following:
- 33 (1) Any assets received by the authority from the
- 34 Iowa housing corporation.
- 35 (2) Any assets transferred by the authority for
- 36 deposit in the housing trust fund.
- 37 (3) Any other moneys appropriated by the general
- 38 assembly and any other moneys available to and
- 39 obtained or accepted by the authority for placement in
- 40 the housing trust fund.
- 41 c. The authority shall create the following
- 42 programs within the housing trust fund:
- 43 (1) Local housing trust fund program. Sixty
- 44 percent of available moneys in the housing trust fund
- 45 shall be allocated for the local housing trust fund
- 46 program. Any moneys remaining in the local housing
- 47 trust fund program on April 1 of each fiscal year
- 48 which have not been awarded to a local housing trust
- 49 fund may be transferred to the project-based housing
- 50 program at any time prior to the end of the fiscal

- 1 year.
- 2 (2) Project-based housing program. Forty percent
- 3 of the available moneys in the housing trust fund
- 4 shall be allocated to the project-based housing
- 5 program.
- 6 2. a. In order to be eligible to apply for
- 7 funding from the local housing trust fund program, a
- 8 local housing trust fund must be approved by the
- 9 authority and have all of the following:
- 10 (1) A local governing board recognized by the
- 11 city, county, council of governments, or regional
- 12 officials as the board responsible for coordinating
- 13 local housing programs.
- 14 (2) A housing assistance plan approved by the
- 15 authority.
- 16 (3) Sufficient administrative capacity in regard
- 17 to housing programs.
- 18 (4) A local match requirement approved by the
- 19 authority.
- 20 b. An award from the local housing trust fund
- 21 program shall not exceed ten percent of the balance in
- 22 the program at the beginning of the fiscal year plus
- 23 ten percent of any deposits made during the fiscal
- 24 year.
- 25 c. By December 31 of each year, a local housing
- 26 trust fund receiving moneys from the local housing
- 27 trust fund program shall submit a report to the
- 28 authority itemizing expenditures of the awarded
- 29 moneys.
- 30 3. In an area where no local housing trust fund
- 31 exists, a person may apply for moneys from the
- 32 project-based housing program.
- 33 4. The authority shall adopt rules pursuant to
- 34 chapter 17A necessary to administer this section.
- 35 Sec. 102. Section 25.1, Code 2003, is amended by
- 36 adding the following new subsection:
- 37 NEW SUBSECTION. 4. Notwithstanding subsections 1
- 38 and 2, and section 25.2, the state appeal board shall
- 39 not consider claims for refund of the unused portion
- $40 \quad of \ vehicle \ registration \ fees \ collected \ under \ section$
- 41 321.105.
- 42 Sec. 103. Section 28.9, subsection 2, Code 2003,
- 43 is amended to read as follows:
- 44 2. a. A school ready children grants account is
- 45 created in the Iowa empowerment fund under the
- 46 authority of the director of the department of
- 47 education. Moneys credited to the account shall be
- 48 distributed by the department of education in the form
- 49 of grants to community empowerment areas pursuant to
- 50 criteria established by the Iowa board in accordance

- 1 with law.
- b. The distribution formula utilized by the Iowa
- board for school ready children grants in the fiscal
- year beginning July 1, 2004, and for each succeeding
- fiscal year, shall specifically incorporate the
- **following components:**
- (1) A minimum statewide performance baseline shall
- 8 be established for the core indicators of performance
- identified pursuant to section 28.8, subsection 1,
- 10 paragraph "a".
- (2) A community empowerment area must maintain its
- 12 <u>designated status in good standing and must have</u>
- received continued approval of its school ready
- 14 children grant plan.
- (3) The community empowerment area must identify
- 16 how the core indicators of performance will be
- addressed by the area and select two or more of the
- core indicators that will achieve a minimum percentage
- of improvement identified by the area, subject to
- 20 approval by the Iowa board. The community empowerment
- 21 area's data for the calendar year preceding the year
- 22 in which the area initially received a school ready
- 23 children grant shall be used as the area's baseline
- 24 <u>year.</u>
- 25 (4) If an area achieves the identified percentage
- 26 level of improvement in the preceding calendar year,
- 27 the area's minimum grant amount shall be the
- 28 annualized grant amount received in the area's initial
- 29 year of funding. The Iowa board may implement
- provisions for averaging the performance levels over
- 31 two or more years and other approaches to apply the
- 32 requirements of this paragraph "b" in an equitable
- 33 manner.
- 34 (5) If an area does not achieve the identified
- 35 percentage level of improvement in the preceding
- calendar year, the area shall receive a reduction from
- 37 the area's minimum grant amount. If the identified 38 percentage level of improvement is achieved in the
- 39 next succeeding calendar year, the area's minimum
- 40 grant amount shall be restored.
- Sec. 104. Section 29C.8. subsection 3. Code 2003.
- 42 is amended by adding the following new paragraphs:
- NEW PARAGRAPH. f. (1) Approve and support the
- 44 development and ongoing operations of an urban search
- 45 and rescue team to be deployed as a resource to
- 46 supplement and enhance emergency and disaster
- 47 operations.
- (2) A member of an urban search and rescue team
- 49 acting under the authority of the administrator or
- 50 pursuant to a governor's disaster proclamation as

- 1 provided in section 29C.6 shall be considered an
- 2 employee of the state under chapter 669 and shall be
- 3 afforded protection as an employee of the state under
- 4 section 669.21. Disability, workers' compensation,
- and death benefits for team members working under the
- 6 authority of the administrator or pursuant to the
- 7 provisions of section 29C.6 shall be paid by the state
- 8 in a manner consistent with the provisions of chapter
- 9 85, 410, or 411 as appropriate, depending on the
- 10 status of the member.
- 11 NEW PARAGRAPH. g. Develop, implement, and support
- 12 a uniform incident command system to be used by state
- 13 agencies to facilitate efficient and effective
- 14 assistance to those affected by emergencies and
- 15 disasters. This system shall be consistent with the
- 16 requirements of the United States occupational safety
- 17 and health administration and a national incident
- 18 management system.
- 19 Sec. 105. Section 29C.20, subsection 1, Code 2003,
- 20 is amended to read as follows:
- 21 1. a. A contingent fund is created in the state
- 22 treasury for the use of the executive council which
- 23 may be expended for the purpose of paying following
- 24 purposes:
- 25 (1) Paying the expenses of suppressing an
- 26 insurrection or riot, actual or threatened, when state
- 27 aid has been rendered by order of the governor, and
- 28 for repairing,
- 29 (2) Repairing, rebuilding, or restoring state
- 30 property injured, destroyed, or lost by fire, storm,
- 31 theft, or unavoidable cause, and for repairing,
- 32 (3) Repairing, rebuilding, or restoring state
- 33 property which that is fiberoptic cable and which that
- 34 is injured or destroyed by a wild animal, and for aid
- 35 to.
- 36 (4) Paying the expenses incurred by and claims of
- 37 an urban search and rescue team when acting under the
- 38 authority of the administrator and the provisions of
- 39 section 29C.6 and disaster medical assistance teams
- 40 when acting under the provisions of section 135.153.
- 41  $\underline{\text{(5)}}$  (a) Aiding any governmental subdivision in an
- 42 area declared by the governor to be a disaster area
- 43 due to natural disasters or to expenditures
- 44 necessitated by the governmental subdivision toward
- 45 averting or lessening the impact of the potential
- 46 disaster, where the effect of the disaster or action
- 47 on the governmental subdivision is the immediate
- 48 financial inability to meet the continuing
- 49 requirements of local government.
- 50 (b) Upon application by a governmental subdivision

- in such an area, accompanied by a showing of
- obligations and expenditures necessitated by an actual
- or potential disaster in a form and with further
- information the executive council requires, the aid
- may be made in the discretion of the executive council
- and, if made, shall be in the nature of a loan up to a
- 7 limit of seventy-five percent of the showing of
- obligations and expenditures. The loan, without
- interest, shall be repaid by the maximum annual 9
- 10 emergency levy authorized by section 24.6, or by the
- appropriate levy authorized for a governmental
- 12 subdivision not covered by section 24.6. The
- 13 aggregate total of loans shall not exceed one million
- 14 dollars during a fiscal year. A loan shall not be for
- 15 an obligation or expenditure occurring more than two
- 16 years previous to the application.
- 17 b. When a state department or agency requests that
- 18 moneys from the contingent fund be expended to repair, rebuild, or restore state property injured, destroyed,
- 20 or lost by fire, storm, theft, or unavoidable cause,
- 21 or to repair, rebuild, or restore state property which
- 22 that is fiberoptic cable and which that is injured or
- 23 destroyed by a wild animal, or for payment of the
- 24 expenses incurred by and claims of an urban search and
- rescue team when acting under the authority of the
- 26 administrator and the provisions of section 29C.6, the
- 27 executive council shall consider the original source
- 28 of the funds for acquisition of the property before
- authorizing the expenditure. If the original source 29
- was other than the general fund of the state, the
- 31 department or agency shall be directed to utilize 32 moneys from the original source if possible. The
- 33 executive council shall not authorize the repairing,
- 34 rebuilding, or restoring of the property from the
- 35 disaster aid contingent fund if it determines that
- moneys from the original source are available to
- 37 finance the project.
- Sec. 106. Section 80B.5, Code 2003, is amended to 38
- read as follows:
- 80B.5 ADMINISTRATION. 40
- The administration of the Iowa law enforcement
- academy and council Act shall be vested in the office
- of the governor. A director of the academy and such
- 44 staff Staff as may be necessary for it the law
- 45 enforcement academy to function shall be employed
- 46 pursuant to the Iowa merit system.
- Sec. 107. NEW SECTION. 80B.5A DIRECTOR.
- 48 The governor shall appoint the director of the Iowa
- 49 law enforcement academy, subject to senate
- 50 confirmation, to a four-year term beginning and ending

- as provided in section 69.19.
- Sec. 108. Section 99G.9, subsection 3, paragraph
- j, if enacted by 2003 Iowa Acts, Senate File 453, is
- amended by striking the paragraph.
- Sec. 109. Section 99G.40, subsection 5, if enacted
- 6 by 2003 Iowa Acts, Senate File 453, is amended to read
- as follows: 7
- 5. The authority shall adopt the same fiscal year
- as that used by state government and shall be audited
- 10 annually by the auditor of state or a certified public
- 11 accounting firm appointed by the auditor. The auditor
- 12 of state or a designee conducting an audit under this
- 13 chapter shall have access and authority to examine any
- and all records of licensees necessary to determine
- 15 compliance with this chapter and the rules adopted
- 16 pursuant to this chapter. The cost of audits and
- examinations conducted by the auditor of state or a
- 18 designee shall be paid for by the authority.
- Sec. 110. NEW SECTION. 174.24 LIABILITY OF
- 20 COUNTY FAIR SOCIETY.
- 21 A society, as defined in section 174.1, shall be
- 22 immune from liability for any damages incurred at a
- 23 county fair held by the society if the damages were
- 24 incurred on or at an exhibit, leased facility,
- 25 amusement ride, or an activity not under the control
- 26 of the society, if the county fair requires the vendor
- 27 in control of the exhibit, leased facility, amusement
- 28 ride, or other activity to obtain liability insurance
- 29 of at least three hundred thousand dollars. An
- officer or employee of a society, as defined in
- 31 section 174.1, shall not be held liable for punitive
- damages as a result of acts in the performance of the
- 33 officer's or employee's duties, unless reckless
- 34 misconduct is proven.
- 35 Sec. 111. Section 257.11, subsection 5, paragraph
- 36 b, Code 2003, is amended to read as follows:
- b. A school district which establishes a regional 37
- 38 academy shall be eligible to assign its resident
- 39 pupils attending classes at the academy a weighting of
- 40 one-tenth of the percentage of the pupil's school day
- during which the pupil attends classes at the regional
- academy. For the purposes of this subsection,
- "regional academy" means an educational institution
- 44 established by a school district to which multiple
- 45 schools send pupils in grades seven nine through
- 46 twelve, and may include a virtual academy. A regional
- academy shall include in its curriculum advanced-level
- 48 courses and may include in its curriculum vocational-
- 49 technical programs courses. The maximum amount of
- 50 additional weighting for which a school district

- 1 establishing a regional academy shall be eligible is
- 2 an amount corresponding to fifteen additional pupils.
- 3 The minimum amount of additional weighting for which a
- 4 school district establishing a regional academy shall
- 5 <u>be eligible is an amount corresponding to ten</u>
- 6 additional pupils if the academy provides both
- 7 advanced-level courses and vocational technical
- courses. However, if the sum of the funding amount
- 9 calculated for all districts operating regional
- 10 academies under this subsection exceeds one million
- 11 dollars for the school year beginning July 1, 2004.
- 12 and each succeeding fiscal year, the director of the
- 13 department of management shall prorate the amount
- 14 calculated for each district. The proration shall be
- 15 based upon the amount calculated for each district
- 16 when compared to the sum of the amount for all
- 17 districts.
- 18 Sec. 112. Section 260C.14, Code 2003, is amended
- 19 by adding the following new subsection:
- 20 NEW SUBSECTION. 20. Adopt a policy to offer not
- 21 less than the following options to a student who is a
- 22 member of the Iowa national guard or reserve forces of
- 23 the United States and who is ordered to active state
- 24 service or federal service or duty:
- 25 a. Withdraw from the student's entire registration
- 26 and receive a full refund of tuition and mandatory
- 27 fees.
- 28 b. Make arrangements with the student's
- 29 instructors for course grades, or for incompletes that
- 30 shall be completed by the student at a later date. If
- 31 such arrangements are made, the student's registration
- 32 shall remain intact and tuition and mandatory fees
- 33 shall be assessed for the courses in full.
- 34 c. Make arrangements with only some of the
- 35 student's instructors for course grades, or for
- 36 incompletes that shall be completed by the student at
- 37 a later date. If such arrangements are made, the
- 38 registration for those courses shall remain intact and
- 39 tuition and mandatory fees shall be assessed for those
- 40 courses. Any course for which arrangements cannot be
- 41 made for grades or incompletes shall be considered
- 42 dropped and the tuition and mandatory fees for the
- 43 course refunded.
- 44 Sec. 113. Section 261.9, subsection 1, unnumbered
- 45 paragraph 1, Code 2003, is amended to read as follows:
- 46 "Accredited private institution" means an
- 47 institution of higher learning located in Iowa which
- 48 is operated privately and not controlled or
- 49 administered by any state agency or any subdivision of
- 50 the state, except for county hospitals as provided in

- paragraph "c" of this subsection, and which meets at
- least one of the criteria in paragraphs "a" through
- "c" and all of the criteria in paragraphs "d" through
- Sec. 114. Section 261.9, subsection 1, Code 2003, 5
- is amended by adding the following new paragraph: 6
- NEW PARAGRAPH. g. Adopts a policy to offer not
- less than the following options to a student who is a
- member of the Iowa national guard or reserve forces of 10 the United States and who is ordered to active state
- 11 service or federal service or duty:
  - (1) Withdraw from the student's entire
- 13 registration and receive a full refund of tuition and
- 14 mandatory fees.
- (2) Make arrangements with the student's 15
- 16 instructors for course grades, or for incompletes that
- shall be completed by the student at a later date. If
- 18 such arrangements are made, the student's registration
- 19 shall remain intact and tuition and mandatory fees
- 20 shall be assessed for the courses in full.
- (3) Make arrangements with only some of the 21
- 22 student's instructors for grades, or for incompletes
- 23 that shall be completed by the student at a later
- 24 date. If such arrangements are made, the registration
- 25 for those courses shall remain intact and tuition and
- 26 mandatory fees shall be assessed for those courses.
- 27 Any course for which arrangements cannot be made for
- 28 grades or incompletes shall be considered dropped and
- 29 the tuition and mandatory fees for the course
- 30 refunded.
- 31 Sec. 115. Section 262.9, Code 2003, is amended by
- adding the following new subsection:
- NEW SUBSECTION. 29. Direct the institutions of
- 34 higher education under its control to adopt a policy
- 35 to offer not less than the following options to a
- 36 student who is a member of the Iowa national guard or
- 37 reserve forces of the United States and who is ordered
- 38 to active state service or federal service or duty:
- a. Withdraw from the student's entire registration
- 40 and receive a full refund of tuition and mandatory
- 41 fees.
- 42 b. Make arrangements with the student's
- 43 instructors for course grades, or for incompletes that
- 44 shall be completed by the student at a later date. If
- 45 such arrangements are made, the student's registration
- 46 shall remain intact and tuition and mandatory fees
- shall be assessed for the courses in full.
- c. Make arrangements with only some of the
- 49 student's instructors for grades, or for incompletes
- 50 that shall be completed by the student at a later

- 1 date. If such arrangements are made, the registration
- 2 for those courses shall remain intact and tuition and
- 3 mandatory fees shall be assessed for those courses.
- 4 Any course for which arrangements cannot be made for
- grades or incompletes shall be considered dropped and
- 6 the tuition and mandatory fees for the course
- 7 refunded.
- 8 Sec. 116. Section 284.13, subsection 1, paragraph
- 9 a, Code 2003, is amended to read as follows:
- 10 a. For each fiscal year in the fiscal year period
- 11 beginning July 1, 2001 2003, and ending June 30, 2002
- 12 2005, the department shall reserve up to one million
- 13 five hundred thousand dollars of any moneys
- 14 appropriated for purposes of this chapter. For each
- 15 fiscal year in which moneys are appropriated by the
- 16 general assembly for purposes of team-based variable
- pay pursuant to section 284.11, the amount of moneys
- 18 allocated to school districts shall be in the
- 19 proportion that the basic enrollment of a school
- 20 district bears to the sum of the basic enrollments of
- 21 all participating school districts for the budget
- 22 year. However, the per pupil amount distributed to a
- 23 school district under the pilot program shall not
- 23 school district under the pilot program shall n 24 exceed one hundred dollars.
- 25 Sec. 117. Section 284.13, subsection 1, paragraph
- 26 g, unnumbered paragraph 1, Code 2003, is amended to
- 27 read as follows:
- 28 For each fiscal year in which funds are
- 29 appropriated for purposes of this chapter, the moneys
- 30 remaining after distribution as provided in paragraphs
- 31 "a" through "f" and "h" shall be allocated to school
- 32 districts for salaries and career development in
- 33 accordance with the following formula:
- 34 Sec. 118. Section 294A.25, subsection 6, Code
- 35 2003, is amended by striking the subsection.
- 36 Sec. 119. Section 294A.25, subsections 7, 8, and
- 37 9, Code 2003, are amended to read as follows:
- 7. For Except as otherwise provided in this
- 39 section, for the fiscal year beginning July 1, 1990
- 40 2003, and succeeding fiscal years, the remainder of
- 41 moneys appropriated in subsection 1 to the department
- $42 \quad of \ education \ shall \ be \ deposited \ in \ the \ educational$
- 43 excellence fund to be allocated in an amount to meet
- 44 the minimum salary requirements of this chapter for
- 45 phase I<del>, in an amount to meet the requirements for and</del>
- 46 phase II<del>, and the remainder of the appropriation for</del>
- 47 phase III.
- 48 8. Commencing with the fiscal year beginning July
- 49 1, 1997 2003, the amount of two hundred thirty
- 50 thousand dollars for a kindergarten to grade twelve

management information system from additional funds transferred from phase I to phase III. 9. For the fiscal year beginning July 1, 2000 2003, and for each succeeding fiscal year, the amount of one hundred seventy thousand dollars to the state board of regents for distribution in the amount of sixty-eight thousand dollars to the Iowa braille and sight saving school and in the amount of one hundred two thousand dollars to the Iowa state school for the 10 deaf from phase III moneys. Sec. 120. Section 321J.2, subsection 2, paragraph 12 a, subparagraph (3), subparagraph subdivisions (a) and (b), as enacted by 2003 Iowa Acts, House File 65, 14 section 2, are amended to read as follows: (a) A defendant whose alcohol concentration is .08 15 16 or more but not more than .10 shall not be eligible 17 for any temporary restricted license for at least 18 thirty days if a test was obtained and an accident 19 resulting in personal injury or property damage 20 occurred. The defendant shall be ordered to install 21 an ignition interlock device of a type approved by the 22 commissioner of public safety on all vehicles owned or 23 operated by the defendant if the defendant seeks a 24 temporary restricted license. There shall be no such period of ineligibility if no such accident occurred, 26 and the defendant shall not be ordered to install an 27 ignition interlock device. (b) A defendant whose alcohol concentration is more than .10 shall not be eligible for any temporary restricted license for at least thirty days if a test was obtained, and an accident resulting in personal 32 injury or property damage occurred or the defendant's 33 alcohol concentration exceeded .15. There shall be no 34 such period of ineligibility if no such accident occurred and the defendant's alcohol concentration did 36 not exceed .15. In either case, where a defendant's 37 alcohol concentration is more than .10, the defendant 38 shall be ordered to install an ignition interlock 39 device of a type approved by the commissioner of 40 public safety on all vehicles owned or operated by the 41 defendant if the defendant seeks a temporary 42 restricted license. Sec. 121. Section 321J.4, subsection 1, paragraphs 44 a and b, as enacted by 2003 Iowa Acts, House File 65, 45 section 3, are amended to read as follows: a. A defendant whose alcohol concentration is .08 or more but not more than .10 shall not be eligible 48 for any temporary restricted license for at least 49 thirty days if a test was obtained and an accident 50 resulting in personal injury or property damage

occurred. The defendant shall be ordered to install an ignition interlock device of a type approved by the commissioner of public safety on all vehicles owned or operated by the defendant if the defendant seeks a temporary restricted license. There shall be no such period of ineligibility if no such accident occurred, and the defendant shall not be ordered to install an ignition interlock device. b. A defendant whose alcohol concentration is more 10 than .10 shall not be eligible for any temporary 11 restricted license for at least thirty days if a test 12 was obtained, and an accident resulting in personal 13 injury or property damage occurred or the defendant's 14 alcohol concentration exceeded .15. There shall be no 15 such period of ineligibility if no such accident 16 occurred and the defendant's alcohol concentration did 17 not exceed .15. In either case, where a defendant's 18 alcohol concentration is more than .10, the defendant shall be ordered to install an ignition interlock 20 device of a type approved by the commissioner of 21 public safety on all vehicles owned or operated by the 22 defendant if the defendant seeks a temporary 23 restricted license. 24 Sec. 122. Section 321J.4, subsection 3, paragraphs 25 a and b, as enacted by 2003 Iowa Acts, House File 65, 26 section 3, are amended to read as follows: a. A defendant whose alcohol concentration is .08 28 or more but not more than .10 shall not be eligible 29 for any temporary restricted license for at least 30 thirty days if a test was obtained and an accident 31 resulting in personal injury or property damage 32 occurred. The defendant shall be ordered to install 33 an ignition interlock device of a type approved by the 34 commissioner of public safety on all vehicles owned or 35 operated by the defendant if the defendant seeks a temporary restricted license. There shall be no such period of ineligibility if no such accident occurred, 37 and the defendant shall not be ordered to install an ignition interlock device. 40 b. A defendant whose alcohol concentration is more than .10 shall not be eligible for any temporary restricted license for at least thirty days if a test 43 was obtained, and an accident resulting in personal 44 injury or property damage occurred or the defendant's 45 alcohol concentration exceeded .15. There shall be no 46 such period of ineligibility if no such accident occurred and the defendant's alcohol concentration did

48 not exceed .15. In either case, where a defendant's 49 alcohol concentration is more than .10, the defendant 50 shall be ordered to install an ignition interlock

- device of a type approved by the commissioner of
- public safety on all vehicles owned or operated by the
- defendant if the defendant seeks a temporary
- restricted license.
- Sec. 123. Section 321J.12, subsection 2,
- 6 paragraphs a and b, as enacted by 2003 Iowa Acts,
- 7 House File 65, section 5, are amended to read as
- a. A person whose driver's license or nonresident
- 10 operating privileges have been revoked under
- 11 subsection 1, paragraph "a", whose alcohol
- 12 concentration is .08 or more but not more than .10
- 13 shall not be eligible for any temporary restricted
- 14 license for at least thirty days after the effective
- 15 date of the revocation if a test was obtained and an
- 16 accident resulting in personal injury or property
- 17 damage occurred. The defendant shall be ordered to
- 18 install an ignition interlock device of a type
- 19 approved by the commissioner of public safety on all
- 20 vehicles owned or operated by the defendant if the
- 21 defendant seeks a temporary license. There shall be
- 22 no such period of ineligibility if no such accident
- 23 occurred, and the defendant shall not be ordered to
- 24 install an ignition interlock device.
- b. A defendant whose alcohol concentration is more
- 26 than .10 shall not be eligible for any temporary
- 27 restricted license for at least thirty days if a test
- 28 was obtained, and an accident resulting in personal
- 29 injury or property damage occurred or the defendant's
- alcohol concentration exceeded .15. There shall be no
- 31 such period of ineligibility if no such accident
- 32 occurred and the defendant's alcohol concentration did
- 33 not exceed .15. In either case, where a defendant's
- 34 alcohol concentration is more than .10, the defendant
- 35 shall be ordered to install an ignition interlock device of a type approved by the commissioner of
- public safety on all vehicles owned or operated by the 37
- 38 defendant if the defendant seeks a temporary
- 39 restricted license.
- Sec. 124. Section 331.605C, subsections 1 and 2, 40
- if enacted by 2003 Iowa Acts, Senate File 453, are
- amended to read as follows:
- 1. For the fiscal year beginning July 1, 2003, and
- 44 ending June 30, 2004, the recorder shall collect a fee
- 45 of five dollars for each recorded transaction.
- 46 regardless of the number of pages, for which a fee is
- paid pursuant to section 331.604 to be used for the
- purposes of planning and implementing electronic
- 49 recording and electronic transactions in each county
- 50 and developing county and statewide internet websites

- 1 to provide electronic access to records and
- 2 information.
- 3 2. Beginning July 1, 2004, the recorder shall
- 4 collect a fee of one dollar for each recorded
- 5 transaction, regardless of the number of pages, for
- 6 which a fee is paid pursuant to section 331.604 to be
- 7 used for the purpose of paying the county's ongoing
- 8 costs of maintaining the systems developed and
- 9 implemented under subsection 1.
- 10 Sec. 125. Section 331.605C, subsection 4, if
- 11 enacted by 2003 Iowa Acts, Senate File 453, is amended
- 12 to read as follows:
- 13 4. The state local electronic government
- 14 electronic transaction fund is established in the
- 15 office of the treasurer of state under the control of
- 16 the treasurer of state. Moneys deposited into the
- 17 fund are not subject to section 8.33. Notwithstanding
- 18 section 12C.7, interest or earnings on moneys in the
- 19 state local electronic government electronic
- 20 transaction fund shall be credited to the fund.
- 21 Moneys in the state local electronic government
- 22 electronic transaction fund are not subject to
- 23 transfer, appropriation, or reversion to any other
- 24 fund, or any other use except as provided in this
  - 5 subsection. The treasurer of state shall enter into a
- Subsection. The treasurer of state shall enter into a
- 26 contract with the Iowa state association of counties
- 27 affiliate representing county recorders to develop,
- 28 implement, and maintain hold the fund for the
- 29 development, implementation, and maintenance of a
- 30 statewide internet website for purposes of providing
- 31 electronic access to records and information recorded
- 32 or filed by county recorders. On a monthly basis, the
- 33 county treasurer shall pay one dollar of each fee
- 34 collected pursuant to subsection 1 to the treasurer of
- 35 state for deposit into the state local electronic
- 36 government electronic transaction fund. Moneys
- 37 credited to the state local electronic government
- 38 electronic transaction fund are appropriated to the
- 39 treasurer of state to be used for contract costs.
- 40 This subsection is repealed June 30, 2004.
- 41 Sec. 126. Section 422.45, Code 2003, is amended by
- 42 adding the following new subsection:
- 43 NEW SUBSECTION. 64. The gross receipts from
- 44 noncustomer point of sale or noncustomer automated
- 45 teller machine access or service charges assessed by a
- 46 financial institution. For purposes of this
- 47 subsection, "financial institution" means the same as
- 48 defined in section 527.2.
- 49 Sec. 127. Section 423.4, Code 2003, is amended by
- 50 adding the following new subsection:

NEW SUBSECTION. 9A. Vehicles subject to registration which are transferred from a corporation that is primarily engaged in the business of leasing vehicles subject to registration to a corporation that is primarily engaged in the business of leasing vehicles subject to registration when the transferor and transferee corporations are part of the same 7 controlled group for federal income tax purposes. Sec. 128. Section 435.26A, subsections 2 and 5, as 10 enacted by 2003 Iowa Acts, Senate File 134, section 7, are amended to read as follows: 2. Upon receipt of a certificate of title from a 13 manufactured home owner, a county treasurer shall 14 notify the department of transportation that the 15 certificate of title has been surrendered, remove the 16 registration of title from the county treasurer's records, and destroy the certificate of title. 18 The manufactured home owner or the owner's representative shall provide to the county recorder 20 the identifying data of the manufactured home. including the owner's name, the name of the manufacturer, the model name, the year of manufacture, 23 and the serial number of the home, along with the 24 legal description of the real estate on which the manufactured home is located. In addition, evidence 26 shall be provided of the surrender of the certificate of title. After the surrender of the certificate of 28 title of a manufactured home under this section. 29 conveyance of an interest in the manufactured home shall not require transfer of title so long as the 31 manufactured home remains on the same real estate 32 site. 5. An owner of a manufactured home who has 34 surrendered a certificate of title under this section and requires another certificate of title for the manufactured home is required to apply for a bonded certificate of title under chapter 321 section 321.42. 37 38 If supporting documents for the reissuance of a title 39 are not available or sufficient, the procedure for the 40 reissuance of a title specified in the rules of the 41 department of transportation shall be used. Sec. 129. Section 452A.2, Code 2003, is amended by adding the following new subsection: 43 NEW SUBSECTION. 20A. "Nonterminal storage 45 facility" means a facility where motor fuel or special 46 fuel, other than liquefied petroleum gas, is stored that is not supplied by a pipeline or a marine vessel. "Nonterminal storage facility" includes a facility 49 that manufactures products such as alcohol, biofuel,

50 blend stocks, or additives which may be used as motor

- 1 fuel or special fuel, other than liquefied petroleum
- 2 gas, for operating motor vehicles or aircraft.
- Sec. 130. Section 453A.2, Code 2003, is amended by
- 4 adding the following new subsection:
- NEW SUBSECTION. 5B. A tobacco compliance employee
- 6 training fund is created in the office of the
- 7 treasurer of state. The fund shall consist of civil
- 8 penalties assessed by the Iowa department of public
- 9 health under section 453A.22, for violations of this
- 10 section. Moneys in the fund are appropriated to the
- 11 alcoholic beverages division of the department of
- 12 commerce and shall be used to develop and administer
- 13 the tobacco compliance employee training program under
- 14 section 453A.2A. Moneys deposited in the fund shall
- 15 not be transferred, used, obligated, appropriated, or
- 16 otherwise encumbered except as provided in this
- 17 subsection. Notwithstanding section 8.33, any
- 18 unexpended balance in the fund at the end of the
- 19 fiscal year shall be retained in the fund.
- 20 Sec. 131. Section 453C.1, subsection 10, Code
- 21 2003, is amended to read as follows:
- 22 10. "Units sold" means the number of individual
- 23 cigarettes sold in the state by the applicable tobacco
- 24 product manufacturer, whether directly or through a
- 25 distributor, retailer, or similar intermediary or
- 26 intermediaries, during the year in question, as
- 27 measured by excise taxes collected by the state on
- 28 packs or roll-your-own tobacco containers bearing the
- 29 excise tax stamp of the state. The department of
- 30 revenue and finance shall adopt rules as are necessary
- 31 to ascertain the amount of state excise tax paid on
- 32 the cigarettes of such tobacco product manufacturer
- 33 for each year.
- 34 Sec. 132. Section 453C.2, subsection 2, paragraph
- 35 b, subparagraph (2), Code 2003, is amended to read as
- 36 follows:
- 37 (2) To the extent that a tobacco product
- 38 manufacturer establishes that the amount the
- 39 manufacturer was required to place into escrow on
- 40 account of units sold in the state in a particular
- 41 year was greater than the state's allocable share of
- 42 the total payments that such manufacturer would have
- 43 been required to make in that year under the master
- 44 settlement agreement the master settlement agreement
- 45 payments, as determined pursuant to section IX(i) of 46 that agreement including after final determination of
- 47 all adjustments, that such manufacturer would have
- 48 been required to make on account of such units sold
- 49 had such manufacturer been a participating
- 50 manufacturer, as such payments are determined pursuant

- to section IX(i)(2) of the master settlement agreement
- and before any of the adjustments or offsets described
- in section IX(i)(3) of that agreement other than the
- inflation adjustment, the excess shall be released
- from escrow and revert back to such tobacco product
- 6 manufacturer.
- Sec. 133. Section 455D.9, Code 2003, is amended by 7
- adding the following new subsection:
- NEW SUBSECTION. 1A. Yard waste may be accepted by
- 10 a sanitary landfill for land disposal if the sanitary
- 11 landfill operates an active methane collection system
- 12 that produces electricity.
- Sec. 134. Section 476.33, Code 2003, is amended by 13
- 14 adding the following new subsection:
- NEW SUBSECTION. 5. a. The board shall adopt 15
- 16 rules that require the board, in a rate regulatory
- proceeding under sections 476.3 and 476.6, to consider
- 18 both of the following for inclusion in rates:
- (1) Capital infrastructure investments that will
- 20 not produce significant additional revenues and will
- be in service in Iowa within nine months after the
- 22 conclusion of the test year.
- 23 (2) Cost of capital changes that will occur within
- 24 nine months after the conclusion of the test year that
- are associated with a new generating plant that has
- 26 been the subject of a ratemaking principles proceeding
- 27 pursuant to section 476.53.
- b. This subsection is repealed effective July 1,
- 29 2007. However, any utilities board proceeding that is
- pending on July 1, 2007, that is being conducted
- 31 pursuant to section 476.3 or 476.6 shall be completed
- 32 as if this section had not been repealed. Upon
- 33 repeal, the board may still consider the adjustments
- 34 addressed in this subsection, but shall not be
- 35 required to consider them.
- Sec. 135. Section 505.7, Code 2003, is amended by
- 37 adding the following new subsection:
- **NEW SUBSECTION.** 9. The commissioner may retain
- 39 funds collected during the fiscal year beginning July
- 40 1, 2003, pursuant to any settlement, enforcement
- action, or other legal action authorized under federal
- or state law for the purpose of reimbursing costs and
- expenses of the division. 43
- 44
- Sec. 136. Section 518.18, unnumbered paragraph 2,
- 45 Code 2003, is amended to read as follows:
- 1. Two The applicable percent of the gross amount
- 47 of premiums received during the preceding calendar
- 48 year, after deducting the amount returned upon the
- 49 canceled policies, certificates, and rejected
- 50 applications; and after deducting premiums paid for

- 1 windstorm or hail reinsurance on properties
- 2 specifically reinsured; provided, however, that.
- 3 However, the reinsurer of such windstorm or hail risks
- 4 shall pay two the applicable percent of the gross
- 5 amount of reinsurance premiums received upon such
- 6 risks after deducting the amounts returned upon
- 7 canceled policies, certificates, and rejected
- 8 applications. For purposes of this section.
- 9 "applicable percent" means the same as specified in
- 10 section 432.1, subsection 4.
- 11 2. Except as provided in subsection 3, the premium
- 12 tax shall be paid on or before March 1 of the year
- 13 following the calendar year for which the tax is due.
- 14 The commissioner of insurance may suspend the
- 15 certificate of authority of a county mutual insurance
- 16 association that fails to pay its premium tax on or
- 17 before the due date.
- 18 3. a. Each county mutual insurance association
- 19 transacting business in this state whose Iowa premium
- 20 tax liability for the preceding calendar year was one
- 21 thousand dollars or more shall remit on or before June
- 22 1, on a prepayment basis, an amount equal to one-half
- 23 of the premium tax liability for the preceding
- 24 calendar year.
- 25 b. In addition to the prepayment amount in
- 26 paragraph "a", each association shall remit on or
- 27 before June 30, on a prepayment basis, an additional
- 28 amount equal to the following percent of the premium
- 29 tax liability for the preceding calendar year as
- 30 follows:
- 31 (1) For prepayment in the 2003 and 2004 calendar
- 32 years, eleven percent.
- 33 (2) For prepayment in the 2005 calendar year,
- 34 <u>twenty-six percent.</u>
- 35 (3) For prepayment in the 2006 and subsequent
- 36 <u>calendar years, fifty percent.</u>
- 37 c. The sums prepaid by a county mutual insurance
- 38 association under this subsection shall be allowed as
- 39 credits against its premium tax liability for the
- 40 calendar year during which the payments are made. If
- 41 a prepayment made under this subsection exceeds the
- 42 annual premium tax liability, the excess shall be
- 43 allowed as a credit against subsequent prepayment or
- 44 tax liabilities. The commissioner of insurance may
- 45 suspend the certificate of authority of an association
- 46 that fails to make a prepayment on or before the due
- 47 date.
- 48 Sec. 137. Section 518A.35, Code 2003, is amended
- 49 to read as follows:
- 50 518A.35 ANNUAL TAX.

- 1 <u>1.</u> A state mutual insurance association doing
- 2 business under this chapter shall on or before the
- 3 first day of March, each year, pay to the director of
- 4 revenue and finance, or a depository designated by the
- 5 director, a sum equivalent to two the applicable
- 6 percent of the gross receipts from premiums and fees
- 7 for business done within the state, including all
- 8 insurance upon property situated in the state without
- 9 including or deducting any amounts received or paid
- 10 for reinsurance. However, a company reinsuring
- 11 windstorm or hail risks written by county mutual
- 12 insurance associations is required to pay a two the
- 13 applicable percent tax on the gross amount of
- 14 reinsurance premiums received upon such risks, but
- 15 after deducting the amount returned upon canceled
- 16 policies and rejected applications covering property
- 17 situated within the state, and dividends returned to
- 18 policyholders on property situated within the state.
- 19 For purposes of this section, "applicable percent"
- 20 means the same as specified in section 432.1,
- 21 subsection 4.
- 22 2. Except as provided in subsection 3, the premium
- 23 tax shall be paid on or before March 1 of the year
- 24 following the calendar year for which the tax is due.
- 25 The commissioner of insurance may suspend the
- 26 certificate of authority of a state mutual insurance
- 27 association that fails to pay its premium tax on or
- 28 before the due date.
- 29 3. a. Each state mutual insurance association
- 30 transacting business in this state whose Iowa premium
- 31 tax liability for the preceding calendar year was one
- 32 thousand dollars or more shall remit on or before June
- 33 1, on a prepayment basis, an amount equal to one-half
- 34 of the premium tax liability for the preceding
- 35 <u>calendar year.</u>
- 36 b. In addition to the prepayment amount in
- 37 paragraph "a", each association shall remit on or
- 38 before June 30, on a prepayment basis, an additional
- 39 amount equal to the following percent of the premium
- 40 tax liability for the preceding calendar year as
- 41 follows:
- 42 (1) For prepayment in the 2003 and 2004 calendar
- 43 years, eleven percent.
- 44 (2) For prepayment in the 2005 calendar year,
- 45 <u>twenty-six percent.</u>
- 46 (3) For prepayment in the 2006 and subsequent
- 47 <u>calendar years, fifty percent.</u>
- 48 c. The sums prepaid by a state mutual insurance
- 49 association under this subsection shall be allowed as
- 50 credits against its premium tax liability for the

- calendar year during which the payments are made. If a prepayment made under this subsection exceeds the annual premium tax liability, the excess shall be allowed as a credit against subsequent prepayment or tax liabilities. The commissioner of insurance may suspend the certificate of authority of an association 7 that fails to make a prepayment on or before the due 8 Sec. 138. 2003 Iowa Acts, Senate File 453, section 10 30, if enacted, is amended by striking the section and inserting in lieu thereof the following: SEC. 30. CHARGE FOR RENT. For the fiscal year beginning July 1, 2003, and ending June 30, 2004, the department of administrative services, if established 15 in 2003 Iowa Acts, <u>House File 534</u>, shall transfer 16 \$900,000 to the general fund of the state from the rent fund if established under section 8A.123 in 2003 18 Iowa Acts, House File 534. Sec. 139. 2003 Iowa Acts, Senate File 453, section 20 35, if enacted, is amended to read as follows: SEC. 35. CHARTER AGENCY APPROPRIATIONS. 1. Notwithstanding any provision of law to the 23 contrary, the total operating appropriations reductions as allowed under section 7J.1 from the general fund of the state to those departments and 26 agencies designated as charter agencies and additional revenue to the general fund of the state attributed to 28 the reinvention process as determined by the 29 department of management above that already committed to the general fund of the state generated for the 31 fiscal year beginning July 1, 2003, and ending June 32 30, 2004, as provided by the appropriation to those agencies as enacted by the Eightieth General Assembly,
- 37 percent reduction for each charter agency, as
- 38 necessary to which along with additional generated

36 the appropriation reductions, with a target of a 10

34 2003 Regular Session, shall be reduced by total

39 revenue shall achieve the overall reduction amount and

\$15,000,000. The department of management shall apply

- 40 shall make this information available to the
- 41 legislative fiscal committee and the legislative
- 42 fiscal bureau. It is the intent of the general
- 43 assembly that appropriations to a charter agency in
- 44 subsequent fiscal years shall be similarly adjusted
- 45 from the appropriation that would otherwise have been
- 46 enacted
- 46 <del>enacted.</del>

35

- 7 2. There is appropriated from the general fund of
- $\ \, 48\ \, the \, state \, to \, the \, department \, of \, management \, for \, the \,$
- 49 fiscal year beginning July 1, 2003, and ending June
- $\,\,$  50  $\,\,$  30, 2004, the following amount, or so much thereof as

- is necessary, to be used for the purposes designated: For deposit in the charter agency loan grant fund created in section 7J.2: .....\$ 3,000,000 3. For the fiscal year beginning July 1, 2003, and 5 ending June 30, 2004, if the actual amount of revenue 6 7 received by a charter agency exceeds the revenue amount budgeted for that charter agency by the governor and the general assembly, the charter agency 10 may consider the excess amount to be repayment 11 receipts as defined in section 8.2. Sec. 140. Notwithstanding section 8.33, 12 13 unencumbered and unobligated funds remaining from the 14 appropriation made in 1996 Iowa Acts, chapter 1218, 15 section 13, subsection 2, paragraph "a", subparagraph 16 (2), as amended by 1997 Iowa Acts, chapter 215, 17 section 3, and from the appropriation made in 1997 18 Iowa Acts, chapter 215, section 4, subsection 1, shall 19 not revert but shall be available for the purposes 20 designated in those provisions until the close of the 21 fiscal year beginning July 1, 2003. Sec. 141. 2003 Iowa Acts, Senate File 453, section 23 49, subsection 1, unnumbered paragraph 1, if enacted, 24 is amended to read as follows: The department of human services shall establish a 26 work group in cooperation with representatives of the 27 insurance industry and members of the medical 28 assistance advisory council to develop a plan for the 29 redesign of the medical assistance program. In 30 developing the redesign plan, the work group shall 31 consider all of the following: Sec. 142. 2003 Iowa Acts, Senate File 453, section 33 121, if enacted, is amended to read as follows: SEC. 121. EFFECTIVE DATE. This division of this 35 Act, creating the Iowa lottery authority, takes effect 36 September July 1, 2003. Sec. 143. Sections 266.8, 266.24, 266.25, and 37 38 266.26, Code 2003, are repealed. Sec. 144. REPORT ON FEDERAL ELECTION LAW 40 IMPLEMENTATION. The state committee, if formed, shall 41 develop a plan for compliance with the federal Help America Vote Act, Pub. L. No. 107-252, and the state 43 committee, in conjunction with the state commissioner 44 of elections, shall provide quarterly updates to the 45 Senate and House of Representatives standing 46 committees on government oversight on the status of the implementation of Pub. L. No. 107-252. 48 Sec. 145. SALE OF DEPARTMENT OF CORRECTIONS' REAL 49 PROPERTY.
- 1. Immediately after the effective date of this

- 1 section, the department of corrections shall develop a
- 2 plan to sell, at market value, the twenty-acre tract
- 3 of undeveloped land adjacent to the Iowa correctional
- 4 institution for women to any municipality with a
- 5 population of less than twenty thousand persons. The
- 6 plan shall include the sale of the tract of land
- 7 within a commercially reasonable time. The sale shall
- 8 be negotiated by the department and shall be handled
- 9 in a manner that is financially beneficial to the
- 10 department. The department shall as a condition of
- 11 the sale to the municipality require that the land not
- 12 be sold by the municipality for a period of ninety-
- 13 nine years unless the land is resold back to the
- 14 state. Appraisals conducted by the department of the
- 15 value of the land shall be made available to the
- 16 public immediately following the sale of the tract of
- 17 land. If the department is unable to negotiate a
- 18 financially beneficial sale, the tract of land shall
- 19 not be sold, and the department shall provide the
- 20 legislative fiscal bureau with the reasons the sale
- 21 did not occur.
  - 2. The proceeds from the sale of the property as
- 23 provided in subsection 1 shall be retained by the
- 24 department of corrections to be used for correctional
- 25 facilities. The costs incident to the sale of the
- $26 \;\;$  tract of land including, but not limited to,
- 27 appraisals, invitations for offers, abstracts, and
- 28 other necessary costs, may be paid from the proceeds
- 29 of the sale or from moneys appropriated for support
- $\,30\,\,$  and maintenance to the institution at which the real
- 31 estate is located.
- 32 3. The provisions of section 904.317 shall not
- 33 apply to the sale of the tract of land sold in
- 34 accordance with this section.
- 35 Sec. 146. SALES AND USE TAX REFUND.
- 6 1. Notwithstanding the one-year application period
- 37 provided for in section 422.45, subsection 7,
- 38 paragraph "b", an application by a city with a
- 39 population between 550 and 625 located entirely in a
- 40 county with a population between 39,750 and 41,750 for
- 41 a refund of sales, services, or use tax paid upon any
- 42 goods, wares, or merchandise, or services rendered,
- 43 furnished, or performed and used in the performance of
- 43 furnished, or performed and used in the performance of 44 contracts involving a street construction project and
- 45 a sewer project is considered timely filed under
- 46 section 422.45, subsection 7, if the application for
- 47 refund is filed with the department of revenue and
- 48 finance on or before August 1, 2003.
- 49 2. Notwithstanding the amount applied for under
- 50 subsection 1, the amount of a refund paid under this

- 1 section shall not exceed \$15,000.
- 2 Sec. 147. SCHOOL DISTRICT REIMBURSEMENT CLAIM.
- 1. Any school district located in a county with a
- 4 population between 11,550 and 12,000 is authorized to
- 5 refile a claim for state reimbursement of the costs of
- 6 providing vocational education programs at the
- 7 secondary level in its district notwithstanding the
- 8 denial of its previously filed claim with the state
- 9 appeal board if the claim is filed by October 1, 2003.
- 10 Such claim shall be considered timely filed
- 11 notwithstanding any provision of law.
- 12 2. If the claim filed pursuant to subsection 1 is
- 13 a valid claim for state reimbursement, the claim shall
- 14 be paid subject to the following:
- 15 a. The amount of costs reimbursed shall not exceed
- 16 6.5 percent.
- 17 b. Any amount reimbursed pursuant to any
- 18 previously filed claim relating to the same costs
- 19 shall not be included.
- 20 c. The total amount reimbursed under this section
- 21 shall not exceed \$6,000.
- 22 Sec. 148. COORDINATION OF PUBLIC TRANSPORTATION
- 23 STUDY. The state department of transportation shall
- 24 conduct a study and prepare a report pertaining to
- 25 administrative efficiencies that may be gained by the
- 26 coordination of transit management and maintenance
- 27 systems in the areas of school transportation, public
- 27 systems in the areas of school transportation, public transit, and other forms of public transportation.
- 29 The report shall be provided to the general assembly
- 30 by December 31, 2003.
- 31 Sec. 149. SUPPLEMENTAL PAYMENT ADJUSTMENTS FOR
- 32 PHYSICIAN SERVICES. To the extent that, pursuant to
- 33 law enacted by the Eightieth General Assembly, 2003
- 34 Session, supplemental payment adjustments are
- 35 implemented for physician services provided to medical
- 36 assistance program participants at publicly owned
- 37 acute care hospitals, the department of human services
- 38 shall not, directly or indirectly, recoup the
- 39 supplemental payment adjustments for any reason,
- 40 unless an amount equivalent to the amount of
- 41 adjustment funds that were transferred to the
- 42 department by the state university of Iowa college of
- 43 medicine is transferred by the department to the
- 44 qualifying physicians.
- 45 Sec. 150. UTILITIES BOARD REVIEW. The utilities
- 46 board shall initiate and coordinate a review of
- 47 current ratemaking procedures to determine whether
- 48 different procedures would be cost-effective and would
- 49 result in rates that more accurately reflect a
- 50 utility's cost of providing service to its customers

- 1 in Iowa. The board shall allow the consumer advocate
- 2 division of the department of justice, the rate-
- 3 regulated utilities, and other interested persons to
- 4 participate in its review. The board shall report the
- 5 results of its review to the general assembly, with
- 6 recommendations as appropriate, on or before January
- 7 5, 2004.
- 8 Sec. 151. USE OF TEAM-BASED VARIABLE PAY MONEYS
- 9 FOR FY 2003-2004. Notwithstanding section 284.13,
- 10 subsection 1, paragraph a, of the moneys reserved for
- 11 purposes of team-based variable pay for the fiscal
- 12 year beginning July 1, 2003, and ending June 30, 2004,
- 13 the sum of two hundred thousand dollars shall be used
- 14 for purposes of the reading instruction pilot program
- 15 established pursuant to 2003 Iowa Acts, House File
- 16 549, if enacted.
- 17 Sec. 152. FULL-SIZE OFF-HIGHWAY VEHICLE
- 18 REGISTRATION PROGRAM PLAN. The department of
- 19 natural resources and the state department of
- 20 transportation, in consultation with the Iowa
- 21 association of four wheel drive clubs, shall develop a
- 22 plan for the establishment of a registration program
- 23 for full-size off-highway vehicles for the purposes of
- 24 regulating the recreational use of full-size off-
- 25 highway vehicles and establishing a full-size off-
- 26 highway vehicle recreation area in the state. The
- 27 plan shall include an analysis of the number of full-
- 28 size off-highway vehicles expected to be registered
- 29 prior to the establishment of a full-size off-highway
- 30 vehicle recreation area and the number of
- 31 registrations expected after the establishment of such
- 32 a facility. The plan shall also include optimum
- 33 locations for a full-size off-highway vehicle
- 34 recreation area, estimated costs, if any, for
- 35 maintenance of the area, and any other issues the
- 36 departments and the association deem to be of
- 37 importance in the planning process. The plan, which
- 38 shall include any proposed legislation for
- 39 implementation of the plan, shall be submitted to the
- 40 legislative services agency and the general assembly
- 41 no later than January 1, 2004.
- 42 Sec. 153. ELIMINATION OF POSITION IOWA LAW
- 43 ENFORCEMENT ACADEMY DIRECTOR. The merit position of
- 44 director of the Iowa law enforcement academy referred
- 45 to in section 80B.5, Code 2003, is eliminated
- 46 effective April 30, 2004.
- 47 Sec. 154. SEVERABILITY.
- 48 1. If this entire Act or any portion of section
- 49 453C.2, subsection 2, paragraph "b", subparagraph (2),
- 50 as amended in this Act, is held by a court of

- competent jurisdiction to be unconstitutional, section
- 453C.2, subsection 2, paragraph "b", subparagraph (2),
- is repealed in its entirety.
- 2. If section 453C.2, subsection 2, paragraph "b",
- subparagraph (2), is repealed pursuant to subsection 1
- and a court of competent jurisdiction subsequently
- finds that section 453C.2, subsection 2, paragraph
- "b", is unconstitutional due to such repeal, section
- 453C.2, subsection 2, paragraph "b", subparagraph (2), 9
- 10 Code 2003, shall be restored.
- 3. Any holding of unconstitutionality or any
- 12 repeal of section 453C.2, subsection 2, paragraph "b",
- 13 subparagraph (2), as amended in this Act, or of
- 14 section 453C.2, subsection 2, paragraph "b",
- 15 subparagraph (2), Code 2003, shall not affect, impair,
- 16 or invalidate any other portion of section 453C.2 or
- 17 the application of that section to any other person or
- 18 circumstance, and the remaining portions of section
- 19 453C.2, shall continue in full force and effect.
- 20 Sec. 155. FEDERAL HOUSING MONEYS. Any federal
- 21 moneys received by the department of economic
- 22 development for the community development block grant
- 23 program that are allocated for housing and any federal
- 24 moneys received for the HOME investment partnership
- program shall be coordinated with projects within the
- 26 housing trust fund established in section 16.181, if
- 27 enacted.
- Sec. 156. SMALLPOX VACCINATIONS. It is the intent
- 29 of the general assembly that public safety workers,
- smallpox response teams, and others who will be
- 31 required to be vaccinated pursuant to the federal
- 32 Homeland Security Act be protected from both health-
- 33 related and other results of the federally required
- 34 vaccination. The emergency management division of the
- 35 Iowa department of public defense and local
- governments should work with employees in the public
- 37 safety areas or response teams to achieve the
- 38 following:
- 1. Vaccinations should be given only on a
- 40 voluntary basis.
- 41 2. Extensive screening should be employed to
- protect those workers who would be at risk from
- current health conditions if vaccinated.
- 3. Reprisals or discrimination for workers not
- 45 voluntarily receiving vaccinations should be
- 46 prohibited.
  - 4. Public employers should protect employees from
- 48 loss of income or seniority as a result of side
- 49 effects from vaccinations. Homeland security moneys
- 50 received by the emergency management division of the

- 1 Iowa department of public defense from the federal
- 2 government should include a set-aside to purchase
- 3 supplemental insurance for public safety or response
- 4 employees to cover those reactions not covered by
- 5 traditional employer-provided health insurance.
- 6 5. Disability or long-term reactions from
- 7 vaccinations should be considered a work-related
- 8 injury and should be covered by local or state
- 9 policies governing disability.
- 10 6. Vaccinations should be scheduled at staggered
- 11 times to allow for normal loss of staff time because
- 12 of vaccination-related illnesses without seriously
- 13 hampering public safety service.
- 14 7. Vaccinations administered in Iowa should meet
- $15 \quad the \ requirements \ of \ the \ federal \ Needlestick \ Safety \ and$
- 16 Prevention Act of 2000 that requires safety features
- 17 in the use of needles to administer medicine.
- 18 8. The emergency management division of the Iowa
- 19 department of public defense should coordinate efforts
- 20 to ensure adequate supplies of vaccinia immune
- 21 globulin and cidofovir and other appropriate medical
- 22 care and pharmaceuticals to protect those employees
- 23 who suffer reactions to vaccinations.
- 24 Sec. 157. CODE EDITOR DIRECTIVE. The Code editor
- 25 shall change the name of the department of public
- 26 defense, emergency management division, to the
- 27 department of public defense, homeland security and
- 28 emergency management division, in chapter 29C and
- 29 elsewhere throughout the Code, including references to
- 30 the division made in law enacted by the Eightieth
- 31 General Assembly, 2003 Regular Session and other
- 32 enactments.
- 33 Sec. 158. RECORDING AND TRANSACTION FEE REPORT.
- 34 The treasurer of state shall submit a report to the
- 35 governor and general assembly on or before December 1,
- 36 2003, detailing the amount of fees collected statewide
- 37 pursuant to section 331.604 in each fiscal year of the
- $38\;$  period beginning July 1, 2000, and ending June 30,
- 39 2003, and the amount of electronic transaction fees 40 collected statewide for the period beginning July 1,
- 41 2003, and ending September 30, 2003, pursuant to
- 42 section 331.605C, if enacted by 2003 Iowa Acts, Senate
- 43 File 453, section 25.
- 44 Sec. 159. EFFECTIVE DATES. The following
- 45 provisions of this division of this Act, being deemed
- 46 of immediate importance, take effect upon enactment:
- 47 1. The amendments to sections 8.23, 8.31, and 8.57
- 48 which are first applicable to appropriations made for
- 49 the fiscal year beginning July 1, 2003.
- 50 2. The amendment to section 12E.12.

3. The amendments to sections 15E.42, 15E.43, 15E.45, and 15E.51, which apply retroactively to January 1, 2002, for tax years beginning on or after that date. 4. The amendment to section 15E.193B. 5 6 5. The amendment to section 435.26A. 6. The amendment to section 453A.2, which shall only take effect if 2003 Iowa Acts, Senate File 401, is enacted by the Eightieth General Assembly, 2003 10 Regular Session. 7. The amendments to sections 453C.1 and 453C.2 12 and the related severability provision. 8. The amendments to sections 518.18 and 518A.35. 9. The section directing the department of 15 corrections to develop a plan for selling certain 16 land. 17 10. The section relating to the sales and use tax 18 refund. 11. The section relating to the school district 19 20 reimbursement claim. The sections of this division of this Act amending 22 section 80B.5 and enacting section 80B.5A are 23 applicable to the appointment of the director of the 24 Iowa law enforcement academy for the term beginning 25 May 1, 2004. Section 29C.8, subsection 3, paragraph "f", as 26 27 enacted in this division of this Act, and the 28 amendment to section 29C.20, subsection 1, as enacted 29 in this division of this Act, take effect July 1, 30 2004. DIVISION VIII 31 32 MEDICAL ASSISTANCE PROGRAM Sec. 160. Section 135C.31A, if enacted by 2003 34 Iowa Acts, House File 619, section 2, is amended to 35 read as follows: 135C.31A ASSESSMENT OF RESIDENTS - PROGRAM 37 ELIGIBILITY. Beginning July 1, 2003, a health care facility 39 receiving reimbursement through the medical assistance 40 program under chapter 249A shall assist the Iowa 41 commission of veterans affairs in determining, prior 42 to the initial identifying, upon admission of a 43 resident, the prospective resident's eligibility for 44 benefits through the federal department of veterans 45 affairs. The health care facility shall also assist 46 the Iowa commission of veterans affairs in determining such eligibility for residents residing in the 48 facility on July 1, 2003. The department of

49 inspections and appeals, in cooperation with the 50 department of human services, shall adopt rules to

- administer this section, including a provision that
- ensures that if a resident is eligible for benefits
- through the federal department of veterans affairs or
- other third-party payor, the payor of last resort for
- reimbursement to the health care facility is the
- medical assistance program. This section shall not
- 7 apply to the admission of an individual to a state
- mental health institute for acute psychiatric care.
- Sec. 161. Section 249A.20A, if enacted by 2003
- 10 Iowa Acts, House File 619, section 3, is amended by
- adding the following new subsection:
- NEW SUBSECTION. 5A. The department shall adopt
- 13 rules to provide a procedure under which the
- department and the pharmaceutical and therapeutics
- 15 committee may disclose information relating to the
- 16 prices manufacturers or wholesalers charge for
- 17 pharmaceuticals. The procedures established shall
- 18 comply with 42 U.S.C. § 1396r-8 and with chapter 550.
- Sec. 162. Section 249A.20B, if enacted by 2003
- 20 Iowa Acts, House File 619, section 4, is amended by
- 21 adding the following new subsection:
- NEW SUBSECTION. 5A. The department of human
- 23 services shall provide a reimbursement to nursing
- 24 facilities under this section. The reimbursement
- 25 amount shall be calculated as a per patient day amount
- 26 and shall be paid to nursing facilities in addition to
- 27 the reimbursement payment specified in 2001 Iowa Acts,
- 28 chapter 192, section 4, subsection 2, paragraph "c".
- 29 Sec. 163. 2003 Iowa Acts, House File 619, section
- 30 5, if enacted, is amended by striking the section and
- 31 inserting in lieu thereof the following:
- SEC. 5. CASE MANAGEMENT PROGRAM FOR FRAIL ELDERS.
- 1. The general assembly finds that the existing
- 34 case management program for frail elders administered
- by the department of elder affairs is an important
- component of the long-term care system in this state.
- The program emphasizes the independence and dignity of 37
- 38 the individual while providing services in a cost-
- effective manner.
- 40 2. The purposes of the case management program for
- 41 frail elders include all of the following:
- a. To provide planning, policy development,
- 43 coordination, and administrative oversight.
- b. To provide assistance in the form of assessment 45 and care coordination under circumstances in which an
- 46 elder or the elder's caregiver is experiencing
- diminished functional capacity or other conditions
- 48 that require the provision of services by professional
- 49 service providers.
- c. To maintain a system that focuses on the

- delivery of home and community-based services that
- emphasize individual independence, individual needs
- and desires, and consumer-driven quality of services.
- 3. It is the intent of the general assembly that
- the department of elder affairs in collaboration with 5
- 6 the department of human services, area agencies on
- aging, advocacy groups, industry representatives, and 7
- consumers submit recommendations to the general
- assembly by October 1, 2003, regarding the redesigning
- 10 of the case management program for the frail elderly
- including preadmission screening methodologies, level
- 12 of care determinations and ongoing methodologies for
- the coordination, provision, and delivery of home and 13
- 14 community-based services.
- 4. It is also the intent of the general assembly 15
- 16 that the department of elder affairs and the
- 17 department of human services coordinate efforts to
- 18 resolve issues relating to level of care
- determinations no later than October 1, 2003.
- Sec. 164. 2003 Iowa Acts, House File 619, section
- 21 7, subsection 4, paragraph b, if enacted, is amended
- 22 to read as follows:
- 23 b. Pharmacies and providers that are enrolled in
- 24 the medical assistance program shall make available
- drug acquisition cost information, product
- 26 availability information, and other information deemed
- necessary by the department for the determination of
- 28 reimbursement rates and the efficient operation of the
- pharmacy benefit. Pharmacies and providers shall 29
- produce and submit the requested information in the
- 31 manner and format requested by the department or its
- designee at no cost to the department or designee.
- 33 Pharmacies and providers shall submit information to
- 34 the department or its designee within thirty days
- 35 following receipt of a request for information unless
- the department or its designee grants an extension
- upon written request of the pharmacy or provider. 37
- Notwithstanding the required provision of information
- by pharmacies and providers under this paragraph, if
- 40 the department is able to obtain any of the
- information required to be provided under this
- paragraph in an alternative manner, through which the
- 43 department is ensured of the validity and accuracy of
- the information and of the timely submission of the
- 45 information, the department may instead obtain the
- information in the alternative manner. Chapter 550
- shall apply to the information provided by pharmacies
- 48 and providers under this paragraph.
- Sec. 165. 2003 Iowa Acts, House File 619, section
- 50 9, if enacted, is amended to read as follows:

- 1 SEC. 9. NURSING FACILITY REIMBURSEMENT.
- 2 Notwithstanding 2001 Iowa Acts, chapter 192, section
- 3 4, subsection 2, paragraph "c", and subsection 3,
- 4 paragraph "a", subparagraph (2), if projected state
- 5 fund expenditures for reimbursement of nursing
- 6 facilities for the fiscal year beginning July 1, 2003,
- 7 in accordance with the reimbursement rate specified in
- 8 2001 Iowa Acts, chapter 192, section 4, subsection 2,
- 9 paragraph "c", exceeds exceed \$147,252,856, the
- 10 department shall adjust the inflation factor of the
- 11 reimbursement rate calculation to provide
- 12 reimbursement within the amount projected specified in
- 13 this section. The department, in consultation with
- 14 nursing facility representatives, shall review the
- 15 projections on a quarterly basis to determine if an
- 16 interim adjustment is necessary in order to provide
- 17 reimbursement within the amount specified in this
- 18 section. In reviewing the projections, the department
- $19 \hspace{0.1in} \underline{\text{shall consider the savings from the reduction in bed}} \\$
- 20 hold payments, elimination of crossover claims, and
- 21 increases in Medicare part A utilization.
- 22 Sec. 166. 2003 Iowa Acts, <u>House File 619</u>, section
- $23\quad 12,$  subsections 2 and 3, if enacted, are amended to
- 24 read as follows:
- 25 2. The department of human services, in
- 26 cooperation with the department's fiscal agent and in
- 27 consultation with a chronic care management resource
- 28 group consortium, shall profile medical assistance
- 29 recipients within a select number of disease diagnosis
- 30 categories. The assessment shall focus on those
- 31 diagnosis areas that present the greatest opportunity
- 32 for impact to improved care and cost reduction.
  - 3. The department of human services, in
- 34 consultation with a chronic care management resource
- 35 group consortium, shall conduct a chronic disease
- 36 management pilot project for a select number of
- 37 individuals who are participants in the medical
- 38 assistance program. The project shall focus on a
- 39 select number of chronic diseases which may include
- 40 congestive heart failure, diabetes, and asthma. The
- 41 initial pilot project shall be implemented by October
- 42 1, 2003.
- 43 Sec. 167. 2003 Iowa Acts, House File 619, section
- 44 12, subsection 4, if enacted, is amended by striking
- 45 the subsection and inserting in lieu thereof the
- 46 following:
- 47 4. The department of human services may procure a
- 48 sole source contract with a vendor to manage
- 49 individuals with select chronic diseases following the
- 50 conclusion of the profiling of medical assistance

- recipients. The management of chronic diseases for
- individuals under this subsection may be coordinated
- with the pilot project established in subsection 3.
- Sec. 168. 2002 Iowa Acts, Second Extraordinary
- Session, chapter 1003, section 110, is amended by
- adding the following new paragraph: 6
- NEW UNNUMBERED PARAGRAPH. Notwithstanding section
- 8 8.33, up to \$2,400,000 of the funds appropriated in
- this section that remain unencumbered or unobligated
- 10 at the close of the fiscal year shall not revert but
- 11 shall remain available in the succeeding fiscal year
- 12 to be used for additional field operations, full-time
- 13 equivalent positions and general administration. Four
- 14 hundred thousand dollars of this amount shall be used
- 15 for eight full-time equivalent positions to provide a
- 16 case manager in each of the judicial districts to
- provide coordination of services for families that
- 18 have a history of methamphetamine abuse and \$400,000
- 19 of this amount shall be used for general
- 20 administration.
- Sec. 169. VETERANS DIRECTIVE. The commission 21
- 22 of veterans affairs shall work with the commandant of
- 23 the Iowa veterans home, the department of human
- 24 services, and the department of inspections and
- 25 appeals to identify the residents of health care
- 26 facilities who may be eligible for benefits through
- 27 the federal department of veterans affairs pursuant to
- 28 section 135C.31A, if enacted by 2003 Iowa Acts, House
- 29 File 619.

37

- Sec. 170. The section of this division of this Act
- 31 amending 2002 Iowa Acts, Second Extraordinary Session,
- chapter 1003, section 110, relating to certain federal
- 33 temporary assistance for needy families block grant
- 34 funding, takes effect upon enactment. 35

## DIVISION IX

- Sec. 171. PURPOSE AND DEFINITIONS. 36
  - 1. PURPOSE. The general assembly finds that the
  - Iowa communications network is a valuable state asset
- 39 that has served the people of the state well, but
- 40 which requires significant ongoing financial support
- 41 from the state in the form of annual appropriations.
- The operation of a telecommunications network is a
- 43 function that can be and generally is conducted by
- 44 private enterprise. It is in the public interest to
- 45 sell the Iowa communications network to a qualified
- 46 private business enterprise that will commit to
- provide the same secure low-cost high-quality service
- 48 to state and federal agencies and military
- 49 installations now provided by the network. Through
- 50 such a sale, the state would eliminate the need for

- 1 ongoing annual appropriations while preserving the key
- 2 benefits enjoyed by the state under the present state
- 3 ownership of the network. The state also expects to
- 4 obtain sufficient proceeds from such a sale to cover
- 5 existing obligations and to realize additional
- 6 proceeds above the level of such obligations. Given
- 7 the current depressed state of the telecommunications
- 8 industry, the state can reasonably be expected to
- 9 maximize sales proceeds by allowing a purchaser a
- 10 period of time in which to assemble financing for its
- 11 purchase. During the interim between enactment of
- 12 this division of this Act and completion of a sale,
- 13 the services of a private-enterprise manager with
- 14 experience operating telecommunications networks can
- 15 reasonably be expected to reduce the costs of
- 16 operating the Iowa communications network, thereby
- 17 lowering annual appropriations.
- 18 2. DEFINITIONS. As used in this division of this
- 19 Act, unless the context otherwise requires:
- 20 a. "Board" means the state network privatization 21 board.
- 21 board. 22 b. "Commission" means the Iowa telecommunications
- 23 and technology commission established in section 8D.324 to oversee the operations of the network.
- 25 c. "Management contract" means an agreement
- 26 between the board and the manager for services to
- 27 oversee and operate the network on behalf of the
- 28 state.
- 29 d. "Manager" means the private entity selected by
- $30 \quad the \ board \ to \ oversee \ and \ operate \ the \ network \ on \ behalf$
- 31 of the state.
- 32 e. "Network" means the Iowa or state
- 33  $\,$  communications network as defined in section 8D.2.
- f. "Out-of-pocket expenses" means moneys paid to
- 35 an unaffiliated third party for engineering, legal,
- 36 consulting, or other services or goods by a manager or37 purchaser.
- $38\,$   $\,$  g. "Purchaser" means the entity that is selected
- 39 by the board to purchase the network from the state.40 h. "Required third-party approval" means any
- 41 consent, conveyance, approval, or waiver that must be
- 42 granted by a private, governmental, or quasi-
- 43 governmental third party in order for the purchaser to
- 44 receive clear title to all network assets and the
- 45 right to use the network assets free of adverse
- 46 claims. Required third-party approvals include but
- 47 are not limited to all of the following:
- 48 (1) Approvals of assignments to the purchaser of
- 49 the state's rights under leases or contracts between
- 50 the state and the third party.

- 1 (2) Conveyance to the purchaser of property that
- 2 the third party currently leases to the state on a
- 3 term with less than fifteen years remaining.
- 4 (3) Release of restrictions in contracts that
- 5 require that the state operate the network.
- 6 i. "Sales contract" means the contract between the
- 7 state as seller, represented by the board, and the
- 8 purchaser, for sale of the network to the purchaser.
- 9 Sec. 172. STATE NETWORK PRIVATIZATION BOARD
- 10 CREATED DUTIES.
  - 1 1. A state network privatization board is created.
- 12 The board shall consist of the following members:
  - a. A chairperson member appointed by the
- 14 legislative council, subject to confirmation by the
- 15 senate.
- 16 b. A member, who shall not be of the same
- 17 political party as the chairperson, appointed by the
- 8 governor subject to confirmation by the senate.
- 19 c. The adjutant general or the adjutant general's
- 20 designee.
- 21 2. The board shall do all of the following:
- 22 a. Issue a request for proposals from qualified
- 23 entities interested in serving as the manager of the
- 24 network. This request for proposals shall be issued
- 25 by July 1, 2004, and responses to the request for
- 26 proposals shall be due by August 1, 2004.
- 27 b. Select a manager and enter into a management
- 28 contract with the manager by October 1, 2004. The
- 29 management contract shall provide for the continuation
- 30 of all services currently being provided to state and
- 31 federal agencies and military installations pursuant
- 32 to chapter 8D, at the rates specified therein, for the
- 33 duration of the contract. The contract shall also
- 34 specify the manager's authority in relation to the
- 35 duties of the commission during the period between
- 66 execution of the management contract and closing of
- 37 the sale of the network. The commission shall
- 38 establish a dispute resolution process regarding rate
- 39 increases, quality of service issues, and other areas
- 40 of dispute involving network subscribers. The
- 41 commission shall also make recommendations regarding
- 42 imposition of an ongoing dispute resolution and
- 43 appeals process commencing with the closing of the
- 44 sale of the network.
- 45 c. Issue a request for proposals from qualified
- 46 entities for the purchase of the network. This
- 47 request for proposals shall be issued by January 1,
- 48 2005, and responses to the request for proposals shall
- 49 be due by May 1, 2005.
- 50 d. Utilizing the criteria set forth in sections

- 1 173 and 174 of this Act, select a purchaser and enter
- 2 into a sales contract with the purchaser by October 1,
- 3 2005.
- 4 e. Immediately upon execution of the management 5 contract and the sales contract by the majority of the
- 5 contract and the sales contract by the majority of the
- 6 board, transmit the executed contract to the general
- 7 assembly and to the governor. The board shall have
- 8 full authority to enter into the management contract
- 9 and the sales contract on behalf of the state,
- 10 provided that the general assembly by legislation
- 11 enacted regarding the specific purchase and approved
- 12 by the governor, within thirty days after transmittal
- 13 to the general assembly and the governor in the case
- 14 of the management contract, and within sixty days
- 15 after transmittal to the general assembly and the
- 16 governor in the case of the sales contract, may
- 17 disapprove the board's action, in which case the
- 18 disapproved contract shall have no force and effect.
- 19 In the event of such disapproval, the state shall pay
- 20 the manager or the purchaser, as the case may be,
- 21 reasonable out-of-pocket expenses incurred in
- 22 preparing a proposal and performing prior to
- 23 disapproval, but such expenses shall not exceed two
- 24 hundred thousand dollars in the case of disapproval of
- 25 the management contract and five hundred thousand
- 26 dollars in the case of disapproval of the sales
- 27 contract.
- 28 f. Cause the sales contract to require closing by
- 29 October 1, 2007, allowing time for the state to obtain
- 30 third-party approvals as required by section 176 of
- 31 this Act, including the filing of any necessary
- 32 eminent domain actions, and for the purchaser to
- 33 secure financing.
- 34 g. Execute all necessary documents relating to the
- 35 closing of the sale of the network. The board may
- 36 direct any other applicable official to assist in the
- 37 execution of necessary documents relating to the
- 38 closing.
- 39 h. Require by written directive that all state
- 40 officials provide information and records concerning
- 41 the network to the board, to the manager, or to a
- 42 person submitting a proposal to purchase the network,
- 43 whenever the board requires such provision of such
- 44 records and other information.
- 45 i. Take all other steps necessary and proper as
- 46 needed to carry out its responsibilities enumerated in
- 47 this subsection. The board may adopt necessary rules
- 48 pursuant to chapter 17A to administer this division of
- 49 this Act.
- 50 Sec. 173. MINIMUM QUALIFICATIONS OF PURCHASER.

- The purchaser shall meet the following requirements:
- 1. The principal place of business of the
- purchaser and any parent of the purchaser shall be
- located in the state of Iowa.
- 2. For national security reasons, and because of
- 6 the extensive military use of the network, the
- purchaser shall possess national security approval.
- Sec. 174. CRITERIA FOR SELECTION OF PURCHASER.
- After issuing a request for proposals for the purchase 9
- 10 of the network and considering the proposals received,
- 11 the board shall select the highest and best offer for
- 12 purchase of the network from those persons submitting
- proposals which meet all of the following criteria:
- 1. Satisfy the minimum qualifications of this
- 15 division of this Act.
- 2. Submit a proposal in compliance with the
- 17 request for proposals.
- 3. Demonstrate a likelihood of being able to 18
- 19 obtain any financing necessary to close the
- 20 transaction. However, the board shall not require
- 21 that the purchaser have a commitment for financing to
- 22 award the contract, but shall allow the purchaser at
- 23 least one year to obtain any necessary financing. The
- 24 board may also in its discretion consider proposals
- 25 involving financing of the sale by the state.
- 26 4. Agree to continue all services currently being
- 27 provided to state and federal agencies and military
- 28 installations for the next ten years, with any annual
- 29 rate increase not to exceed five percent per year, provided that the purchaser shall not be required to
- 31 supply at such restricted prices a quantity or quality
- 32 of service greater than that provided by the network
- 33 as of execution of the contract for sale of the
- 34 network.
- 35 Sec. 175. CLOSING OF SALE. Any debt of the state
- 36 related to the network or other liens against network
- 37 assets shall be discharged out of the state's proceeds
- 38 of closing, so that the purchaser receives marketable
- 39 title to the network. The purchaser shall receive
- 40 bills of sale, in the case of personal property, and
- 41 deeds, in the case of real property, transferring all
- network assets to the purchaser. The state shall also
- 43 transfer its interest in right-of-way and leases and
- 44 easements for uses of rights-of-way.
- Sec. 176. THIRD-PARTY APPROVALS.
- 1. The state shall exercise all reasonable efforts
- to obtain each required third-party approval,
- 48 including where necessary by use of eminent domain
- 49 proceedings. To the extent feasible, the state may
- 50 pay the costs of obtaining required third-party

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approvals out of the proceeds of sale rather than from
   the general fund of the state. In the event the state
   fails to obtain a required third-party approval, the
   purchaser may terminate the sales contract without
   penalty and shall be reimbursed by the state for
   reasonable out-of-pocket expenses incurred in
   preparing its proposal and fulfilling its obligations
8
   under the sales contract, not to exceed two million
   dollars.
9
10 2. The board and the purchaser shall develop a
11 list of required third-party approvals and persons who
12 may have claims that would constitute required third-
    party approvals if valid. The board shall mail to
14 each person on the list at their last known address a
15 notice that provides a description of the sale and
16 invites the recipient to submit a claim on a form
17
    developed by the board by a deadline set by the board.
18 The claim or interest of any person who fails to
19 timely file a claim shall be deemed discharged and
20 forfeited, and such person shall be forever barred and
21 estopped from taking any action against the state or
22 purchaser that would in any way interfere with the
23 purchaser's use of the network. In addition, the
    board shall publish the notice in newspapers of
   general circulation in the state of Iowa, and failure
26 to file a timely claim shall bar all persons whose
27 rights could constitutionally be affected by such
28 notice, just as if such person had been mailed notice.
    3. Any eminent domain or other proceeding to
29
   obtain a required third-party approval shall be
31
    promptly filed by the attorney general at the request
32 of the board and shall be added to the calendar of any
33 trial or appellate court of this state so that the
34 deadline in section 172 of this Act for closing the
35 sale can be met.
    Sec. 177. REMOVAL OF RESTRICTIONS – REPEAL OF
37 CHAPTER 8D. Chapter 8D is repealed, effective as of
38 the date of the closing of the sale of the network
39 under this division of this Act, as certified by the
40
    chairperson of the board to the governor.
     Sec. 178. ASSISTANCE OF OTHER STATE AGENCIES.
41
42
     1. The attorney general shall provide legal advice
43 to the board.
    2. All other state agencies shall provide whatever
45 assistance may reasonably be required by the board in
    carrying out its duties under this division of this
46
47
48
                 DIVISION X
49
        GOVERNMENT ORGANIZATION REVIEW COMMITTEE
     Sec. 179. Section 331.264, subsection 1,
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unnumbered paragraph 1, and paragraphs a through d, if enacted by 2003 Iowa Acts, Senate File 390, section 25, is amended to read as follows: A local government organization review committee may be created in a county having a population in excess of one hundred thousand. The committee shall 7 be composed of the following members: a. Three city council members appointed by the city council of each participating city with a 10 population of twenty-five thousand or more. b. Three county supervisors appointed by the 12 county board of supervisors. c. One city council member appointed by each participating city with a population of less than 15 twenty-five thousand. d. One member shall be appointed by each state 17 legislator whose legislative district is located in 18 the county if a majority of the constituents of that 19 legislative district reside in the county. However, 20 if a county does not have a state representative's 21 legislative district which has a majority of a state 22 representative's constituency residing in the county, 23 the state representative having the largest plurality 24 of constituents residing in the county shall appoint a 25 member. The member appointed by each state legislator 26 shall be a person who is not holding elected office 27 and who is a resident of the legislative district of 28 the state legislator. If any portion more than one-29 half of the population of a legislative district is in 30 the unincorporated area of the county, the member 31 appointed by that legislator shall be a resident of 32 the unincorporated area of the county. Sec. 180. EFFECTIVE DATE. This division of this 34 Act, being deemed of immediate importance, takes 35 effect upon enactment." 2. Title page, by striking lines 1 through 4 and 37 inserting the following: "An Act relating to public 38 expenditure and regulatory matters, compensating 39 public employees, making and reducing appropriations, 40 modifying sales and use taxes, modifying the 41 investment tax credits and premium taxes on mutual 42 insurance associations, providing for related matters, 43 making penalties applicable, and providing effective 44 dates."

A non-record roll call was requested.

The ayes were 53, nays 39.

Amendment H-1612 was adopted.

## **SENATE FILE 458 SUBSTITUTED FOR HOUSE FILE 700**

Dix of Butler asked and received unanimous consent to substitute Senate File 458 for House File 700.

Senate File 458, a bill for an act relating to public expenditure and regulatory matters, compensating public employees, making and reducing appropriations, modifying sales and use taxes, modifying the investment tax credits and premium taxes on mutual insurance associations, providing for related matters, making penalties applicable, and providing effective dates, was taken up for consideration.

Roberts of Carroll in the chair at 7:47 p.m.

Dix of Butler moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" (S.F. 458)

The ayes were, 93:

Alons Arnold Baudler Bell Boal Boddicker Boggess Berry Carroll Chambers Cohoon Dandekar Davitt De Boef Dennis Dix Dolecheck Drake Elgin Fallon Foege Ford Freeman Frevert Gaskill Gipp Granzow Greimann Greiner Hahn Hansen Hanson Heaton Heddens Hoffman Hogg Horbach Huseman Huser Hutter Jacobs **Jenkins** Jochum Jones Klemme Kramer Kuhn Kurtenbach Lukan Lalk Lensing Lykam Maddox Manternach Mascher McCarthy Mertz Miller Murphy Myers Olson, D. Oldson Olson, S. Osterhaus Paulsen Petersen Quirk Raecker Rants, Spkr. Rasmussen Rayhons Reasoner Sands Schickel Smith Stevens Struyk Swaim **Thomas** Tjepkes **Tymeson** Upmeyer Van Engelenhoven Van Fossen, J.K. Van Fossen, J.R. Watts Wendt Whitaker Whitead Wilderdyke Winckler Wise Roberts.

Presiding

The nays were, 5:

Eichhorn Hunter Shoultz Taylor, D.

Taylor, T.

Absent or not voting, 2:

Bukta Connors

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

## IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate File 458** be immediately messaged to the Senate.

## **Unfinished Business Calendar**

House File 646, a bill for an act relating to certain alternative forms of county and city government by providing for county redistricting and representation, charter commission administration, application of various statutory requirements, the manner in which a charter may be proposed and adopted, amendment of a charter, the organization of the governing body, and inclusions in a charter, making technical changes relating to the administration and authority of a city-county consolidated government and a community commonwealth, allowing formation of local government organization review committees, and including effective and applicability date provisions, was taken up for consideration.

Elgin of Linn offered the following amendment  $\underline{H-1176}$  filed by him and moved its adoption:

## H-1176

- 1 Amend <u>House File 646</u> as follows:
- 2 1. By striking everything after the enacting
- 3 clause and inserting the following:
- 4 "Section 1. Section 331.210A, subsection 2, Code
- 5 2003, is amended by adding the following new
- 6 paragraph:

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NEW PARAGRAPH. f. (1) Notwithstanding the
    provisions of this section to the contrary, for a
9
    county with a population of one hundred eighty
10 thousand or more that has adopted a charter for a
11 city-county consolidated form of government or a
12 community commonwealth form of government and which
13 charter provides for representation by districts, the
14 legislative service bureau, and not the temporary
15 county redistricting commission, shall draw a first or
16 second plan as necessary and required by paragraph "a"
17 pursuant to a contract executed with the county. The
18 plan drawn by the legislative service bureau shall be
19 based upon the precinct plan adopted for use by the
20 county and shall be drawn in accordance with section
21
    42.4, to the extent applicable.
    (2) The plan drawn by the legislative service
23 bureau shall be submitted to the temporary county
24 redistricting commission which shall not amend the
25 plan and which shall perform the duties required by
26 paragraphs "b" and "c" concerning the plan. The
    temporary county redistricting commission shall accept
28 the plan in total or it may request and contract to
29 have a second plan prepared by the legislative service
30 bureau. In doing so, the temporary county
31 redistricting commission shall state its objections to
32 the first plan in writing.
    (3) After the requirements of paragraphs "b" and
34 "c" have been met with respect to either a first or
35 second plan, the plan drawn by the legislative service
36 bureau and accepted by the temporary county
37
   redistricting commission shall be submitted to the
   governing body for its approval or rejection. If the
39
   plan drawn by the legislative service bureau and
40 accepted by the temporary county redistricting
41 commission is rejected by the governing body, the
42 governing body may consider and accept the other plan
    submitted by the legislative service bureau to the
44 temporary county redistricting commission, if any, or
45 shall direct the temporary county redistricting
46 commission to prepare another plan as provided by
    paragraph "d".
48
    Sec. 2. Section 331.231, subsection 5, Code 2003,
49 is amended to read as follows:
     5. City-county consolidated form as provided in
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- 1 section sections 331.247 through 331.252.
- 2 Sec. 3. Section 331.232, subsection 3, Code 2003,
- 3 is amended to read as follows:
- ${\bf 4} \qquad {\bf 3}. \ \ {\bf An \ alternative \ form \ of \ county \ government \ shall}$
- 5 be submitted to the county electorate by the

commission in the form of a charter or charter 8 Sec. 4. Section 331.234, subsections 3 and 4. Code 2003, are amended to read as follows: 10 3. The board shall make available to the 11 commission in-kind services such as office space, 12 printing, supplies, and equipment and. The county 13 shall pay from the segregated account established in 14 subsection 4, the other necessary expenses of the commission including compensation for secretarial, 16 clerical, professional, and consultant services. The 17 total annual expenses, not including the value of in-18 kind expenses, to be paid from public funds shall not 19 exceed one hundred thousand dollars or an amount equal 20 to thirty cents times the population of the commission area, according to the most recent certified federal 22 census. The commission may employ staff as necessary. 4. The expenses of the commission may be paid from 24 the general fund of the county shall be paid by each 25 city and county participating in the charter process or from any combination of public or private funds 27 available for that purpose. Each city's share shall 28 <u>be its pro rata share of the expenses based upon the</u> 29 ratio that the population of the city bears to the 30 total population in the county. The county's share 31 shall be its pro rata share of expenses based upon the ratio that the population of the unincorporated area 33 of the county bears to the total population of the 34 county. The amount paid by each city and county 35 participating in the charter process shall be 36 deposited in a segregated account maintained by the county. The commission's annual expenses may exceed 38 the amount in subsection 3 only if the excess is paid 39 from private funds. If a proposed charter is 40 submitted to the electorate, private funds donated to 41 the commission may be used to promote passage of the proposed charter. Sec. 5. Section 331.235, Code 2003, is amended to 44 read as follows: 331.235 COMMISSION PROCEDURES AND REPORTS. 1. Within sixty days after its organization, the commission shall hold at least one public hearing for the purpose of receiving information and material which will assist in the drafting of a charter.

#### Page 3

1 shall be given as provided in chapter 21. If the

50 Notice of the date, time, and place of the hearing

- 2 commission is created pursuant to section 331.264,
- 3 <u>subsection 4, the hearing shall be held thirty days</u>
- 4 after submission of the preliminary report to the

board, pursuant to section 331.264, subsection 3. 2. Within nine months after the organization of the commission, the commission shall submit a preliminary report to the board, which report may include the text of the proposed charter. If a 10 proposed charter is included in the preliminary 11 report, the report shall also include an analysis of 12 the fiscal impact of the proposed charter. Sufficient copies of the report shall be made available for distribution to residents of the county who request a 15 copy. The commission shall hold at least one public 16 hearing after submission of the preliminary report to obtain public comment. This subsection does not apply 18 if the commission is created pursuant to section 19 331.264, subsection 4. 20 3. Within twenty months after organization, the 21 commission shall submit the final report to the board. If the commission is created pursuant to section 23 331.264, subsection 4, the commission shall submit the 24 final report to the board within five months after submission of the preliminary report to the board 26 pursuant to section 331.264, subsection 3. A 27 commission created pursuant to section 331.264, 28 subsection 4, may adopt a motion granting itself a sixty-day extension of time for submission of its final report. If the commission recommends a charter including a form of government other than the existing 32 form of government, the final report shall include the 33 full text and an explanation of the proposed charter, 34 a statement of whether the elected officers shall be 35 elected on a partisan or nonpartisan basis, an analysis of the fiscal impact of the proposed charter, 37 any comments deemed desirable by the commission, and 38 any minority reports. The final report may recommend 39 no change to the existing form of government and that 40 no charter be submitted to the electorate, in which 41 case, the report shall state the reasons for and against a change in the existing form of government. 43 The final report shall be made available to the 44 residents of the county upon request. A summary of 45 the final report shall be published in the official 46 newspapers of the county and in a newspaper of general circulation in each participating city. 48 4. The commission is dissolved on the date of the 49 general election at which the proposed charter is 50 submitted to the electorate. However, if a charter

- 1 proposing the city-county consolidated form or the
- 2 community commonwealth form is adopted, the commission
- 3 is dissolved on the date that the terms of office of

the members of the governing body for the alternative form of government commence. If a charter is not recommended, the commission is dissolved upon 6 submission of its final report to the board. 8 Sec. 6. Section 331.237, subsection 1, Code 2003, is amended to read as follows: 1. If a The board shall direct the county 11 commissioner of elections to submit to the registered voters of the county the question of whether the proposed charter for county government shall be adopted. The proposed charter for county government 14 15 is may be submitted at the general election or at a 16 special election held on the day of the regular city 17 election. To be submitted at the general election, 18 the proposed charter must be received not less than 19 five working days before the filing deadline for 20 candidates for county offices specified in section 21 44.4 for the next general election, the board shall 22 direct the county commissioner of elections to submit 23 to the registered voters of the county at the next general election the question of whether the proposed charter shall be adopted. A summary of the proposed 25 26 charter or amendment shall be published in the official county newspapers and in a newspaper of 28 general circulation in each participating city, if applicable, at least ten but not more than twenty days 30 before the date of the election. If a majority of the 31 votes cast on the question is in favor of the 32 proposal, the proposal is adopted. Sec. 7. Section 331.237, subsection 2, paragraph 34 a, Code 2003, is amended to read as follows: a. The adopted charter shall take effect July 1 36 following the general election at which it is approved 37 unless the charter provides a later effective date. 38 If the adopted charter calls for a change in the form 39 of government, officers to fill elective offices shall 40 be elected in the general election in the evennumbered year following the adoption of the charter. Those county officers holding office at the time of 42 43 the adoption of the charter shall continue in office 44 until the general election in the even-numbered year 45 following the adoption of the charter. If the charter provides that one or more elective offices are 47 combined, the board of supervisors shall appoint one of the elective officers of the combined offices to 49 serve until the general election in the even-numbered 50 year. If the charter calls for the elimination of an

- 1 elective office, that elective officer's term of
- 2 office shall expire on the date the adopted charter

3 takes effect. Sec. 8. Section 331.237, Code 2003, is amended by 5 adding the following new subsection: NEW SUBSECTION. 4. Subsections 2 and 3 do not 6 apply to the city-county consolidated form of government or the community commonwealth form of 8 government. Sec. 9. Section 331.238, Code 2003, is amended by 10 11 adding the following new subsection: NEW SUBSECTION. 4. Subsections 1 and 2 do not apply to the city-county consolidated form of 13 14 government or the community commonwealth form of 15 government. 16 Sec. 10. Section 331.244, Code 2003, is amended by 17 adding the following new subsection: NEW SUBSECTION. 3. This section does not apply to 19 the city-county consolidated form of government. Sec. 11. Section 331.247, Code 2003, is amended to 21 read as follows: 22 331.247 CITY-COUNTY CONSOLIDATION FORM. 1. a county and one or more cities within the county may unite to form a single unit of local 25 government in accordance with this part. A commission 26 appointed pursuant to section 331.233A may propose a 27 charter under which a county and one or more cities 28 within the county may unite to form a single unit of 29 local government, or may propose a charter under which 30 a county and one or more cities within the county may 31 form a combined governance structure for the county 32 and such cities in accordance with this part. The 33 charter shall declare whether the form is a merger of 34 a county and one or more cities to form a single unit 35 of local government or whether the form establishes a 36 combined government structure of a county and one or more cities. Either option proposed shall be referred 38 to as a city-county consolidated form of government. 39 If more than fifty percent of the population of a city 40 resides within the affected county, it is a city 41 within the county for the purposes of this section and 42 may continue its status as a city within the county 43 even if the population of such city falls below the 44 fifty percent threshold in a future census. 2. An alternative form of government, including a 46 charter form, for a consolidated unit of government 47 may be submitted to the voters only by a commission 48 established under this chapter. A majority vote by 49 the charter commission is required for the submission

# Page 6

1 for a consolidated unit of local government proposed

to the electorate of an alternative form of government

charter for a city-county consolidated form of government. The charter commission submitting a consolidated form shall issue a final report and 4 5 proposal. 6 3. An alternative form of government for a A citycounty consolidated unit of local government form of government does not need to include more than one city. A city shall not be included unless the city participates in the commission process, and a majority of the electors of the affected city voting approves 12 the proposed charter for the consolidated government. 13 4. If an alternative form of government for a 14 consolidated unit of local government is proposed, 15 approval of the consolidation charter shall be a 16 separate ballot issue from approval of the alternative form of government in those cities proposed to be 18 included in the consolidation. Adoption of the 19 consolidation charter requires the approval of a 20 majority of the votes cast in the entire county. A 21 city named on the ballot is included in the consolidation if the proposed charter is approved by a 23 majority of the votes cast in the city. The 24 consolidation charter shall be effective in regard to 25 a city government only if a majority of the voters of 26 the city voting on the question voted for 27 participation in the consolidation charter. 5. A city may request to join an existing city-29 county consolidated government by resolution of the 30 city council or upon petition of eligible electors of 31 the city equal in number to at least twenty-five 32 percent of the persons who voted at the last general election for the office of governor or president of 34 the United States, whichever is fewer regular city 35 election. Within fifteen days after receiving a valid 36 petition, the city council of the petitioning city shall adopt a resolution in favor of participation and 37 38 shall immediately, within ten days of adoption, 39 forward the resolution to the legislative governing 40 body of the city-county consolidated government. If a 41 majority of the city county consolidated legislative 42 governing body of the city-county consolidated government approves the resolution, the question of joining the city-county consolidated government shall be submitted to the electorate of the petitioning city within sixty days after approval of the resolution. 46 47 6. a. If a charter is adopted, it may be amended 48 at any time by one of the following methods:

49 (1) The governing body of the city-county
50 consolidated form of government, by resolution, may

- submit a proposed amendment to the voters at a general
- election or at a special election, and the proposed
- amendment becomes effective upon approval by a
- majority of those voting.
- (2) The governing body of the city-county
- consolidated form of government, by ordinance, may
- amend the charter. However, within thirty days
- 8 following publication of the ordinance, if a petition
- valid under the provisions of section 331.306 is filed
- 10 with the governing body of the city-county
- 11 consolidated form of government, the governing body
- 12 must submit the charter amendment to the voters at a
- special election and, in such an event, the amendment
- becomes effective only upon approval of a majority of
- 15 those voting within the city-county consolidated area.
- (3) If a petition valid under the provisions of
- 17 section 331.306 filed with the governing body of the
- 18 city-county consolidated form of government, proposing
- an amendment to the charter, the governing body must
- 20 submit the proposed amendment to the voters at a
- 21 general election or at a special election and, in such
- 22 an event, the amendment becomes effective only upon
- 23 approval of a majority of those voting within the
- 24 city-county consolidated area.
- b. If an election is held, the governing body
- 26 shall submit the question of amending the charter to
- 27 the electors in substantially the following form:
- Should the amendment described below be adopted for
- the city-county consolidated charter of (insert name 29
- of county and of each consolidated city)?
- 31 The ballot must contain a brief description and
- summary of the proposed amendment.
- c. An amendment shall not adopt an alternative
- 34 form of county government but an amendment may allow
- 35 the governing body of a city-county consolidated form
- of government that has a combined governance structure
- 37 to adopt a city-county consolidated form of government
- 38 under which a county and one or more cities within the
- 39 county unite to form a single unit of local
- 40 government.
- Sec. 12. Section 331.248, subsection 1, Code 2003.
- is amended to read as follows:
- 1. The charter commission proposing consolidation
- 44 a city-county consolidated form of government shall
- 45 prepare, adopt, and submit cause to be submitted to
- 46 the voters a consolidation the charter including an
- 47 alternative form of government.
- 48 Sec. 13. Section 331.248, subsection 2, Code 2003,
- 49 is amended to read as follows:
- 2. The consolidation charter for a city-county

consolidated form of government shall: a. Provide for adjustment of existing bonded indebtedness and other obligations in a manner which will provide for a fair and equitable burden of taxation for debt service. 6 b. Provide for establishment of service areas, 7 except that formation of a city-county consolidation government consolidated form of government shall not affect the assignment of electric utility service 10 territories pursuant to chapter 476, and shall not affect the rights of a city to grant a franchise under 12 chapter 364. c. Provide for the transfer or other disposition 14 of property and other rights, claims, assets, and 15 franchises of local governments the county and each 16 city consolidated under the alternative form. d. Provide the official name of the city-county 18 consolidated unit of local government form of government. 20 e. Provide for the transfer, reorganization, abolition, absorption, and adjustment of boundaries of 21 all existing boards, bureaus, commissions, agencies, 23 special districts, and political subdivisions of the 24 city-county consolidated form of government. f. Include other provisions which the county 26 charter commission and the city charter commission 27 elect to include and which are not inconsistent with 28 state law. Provide for the exercise of home rule 29 power and authority not inconsistent with state law. g. Provide for a governing body of an odd number 31 of members, not less than five, but which may exceed 32 the number of members specified in sections 331.201, 33 331.203, and 331.204. The titles of the members of 34 the governing body shall be determined by the charter. 35 h. Provide for a representation plan for the governing body which representation plan may differ 37 from the representation plans provided in section 38 331.206 and in chapter 372. If the plan calls for 39 representation by districts and the charter has been 40 approved in a county whose population is one hundred eighty thousand or more, the plan shall be drawn pursuant to section 331.210A, subsection 2, paragraph "f". The initial representation plan for such a 44 county shall be drawn as provided in section 331.210A, 45 <u>subsection 2, paragraph "f", within ninety days after</u> 46 the election at which the charter is approved. For the initial representation plan, the charter commission shall assume the role of the governing body 49 for purposes of this paragraph and section 331.210A,

subsection 2, paragraphs "d" through "f".

- 1 <u>i. Provide for the initial compensation for</u>
- 2 members of the governing body and for a method of
- 3 changing the compensation.
- 4 j. Notwithstanding section 331.238, subsection 3,
- provide whether the election of its officers shall be
- 6 on a partisan or nonpartisan basis.
- 7 Sec. 14. Section 331.248, Code 2003, is amended by
- 8 adding the following new subsection:
- 9 <u>NEW SUBSECTION</u>. 4. The consolidation charter may
- 10 include other provisions which the commission elects
- 11 to include and which are not irreconcilable with state
- 12 law. These provisions may include but are not limited
- 13 to the following:
- 14 a. Provide for a method of selecting officers of
- 15 the governing body and fixing their terms of office
- 16 which may differ from the requirements of sections
- 17 331.208 through 331.211 and the provisions of chapter
- 18 372.
- 19 b. Provide for meetings of the governing body and
- 20 rules of procedure which may differ from the
- 21 requirements of section 331.213, except that the
- 22 meetings shall be scheduled and conducted in
- 23 compliance with chapter 21.
- 24 c. Provide for combining the duties of elected
- 25 officials of the county, for eliminating elected
- 26 offices and the assumption of the duties of those
- 27 offices by appointed officials, and for adding to,
- 28 deleting, or otherwise changing the duties of
- 29 officials, elected or otherwise, of the county and
- 30 each consolidated city.
- 31 d. Provide for the organization of city and county
- 32 departments, agencies, or boards. The organization
- 33 plan may provide for the abolition or consolidation of
- 34 a department, agency, board, or commission and the
   35 assumption of its powers and duties by the governing
- 36 body or by another department, agency, board, or
- 37 commission. This paragraph does not apply to the
- 38 board of trustees of a county hospital.
- 39 e. Provide for a method for the governing body or
- 40 another office to exercise the powers and duties of
- $\,41\,\,$  the township trustees, in lieu of their election or
- 42 appointment.
- 43 Sec. 15. Section 331.249, Code 2003, is amended to
- 44 read as follows:
- 45 331.249 EFFECT OF CONSOLIDATION.
- 46 1. a. The consolidation of one or more cities and
- 47 one or more counties shall create a unified government
- 48 which includes a municipal corporation and a county.
- 49 A city-county consolidated form of government under
- 50 which a county and one or more cities within the

county unite to form a single unit of local government shall create a unified government which includes a municipal corporation and a county. The consolidated unit shall have the separate status of a county and a city for all purposes and shall constitute two political subdivisions, a consolidated city and a county, under combined governance. The consolidated 8 unit shall retain one separate constitutional debt limitation with respect to its status as a city and a 10 separate constitutional debt limitation with respect to its status as a county. b. The governing body of a city-county 13 consolidated form of government under which a county and one or more cities within the county form a combined governance structure shall have, with respect 16 to the county, the power and authority of the board of supervisors of a county, and, with respect to each 18 city, the power and authority of the city council of a city. Each consolidated city and the county 20 constitute separate political subdivisions. Each 21 consolidated city and the county shall retain a separate constitutional debt limitation and shall each 23 have the authority to issue bonds and incur financial 24 obligations in accordance with the provisions of state law applicable to a city or a county, respectively. 26 2. A The city-county consolidated unit of local 27 government form of government may include an area 28 which is located in another county, but which is 29 within the corporate boundaries of one of the consolidated cities. County services shall may be 31 provided in the extra-county area and taxes to fund 32 those services shall may be collected in the extra-33 county area by the consolidated government, to the 34 extent permitted by the Constitution of the State of 35 Iowa. In addition to the right to vote in the county 36 of residence, electors residing in the extra-county 37 area shall have the right to vote on any matter 38 related to the city-county consolidated unit of local 39 form of government, including election of its 40 officials governing body. If a city-county consolidation charter is proposed. within ninety days following the final report of the commission, a resident or property owner of the 44 commission area proposed to be consolidated may bring 45 an action in district court for declaratory judgment 46 to determine the legality of the proposed charter and to otherwise declare the effect of the charter. The court shall expedite its review and determination in

49 <u>this matter.</u> The referendum on the proposed charter 50 shall be stayed during pendency of the action and for

- 1 such additional time during which the proposed charter
- 2 or its enabling legislation does not conform to the
- 3 Constitution or laws of the State of Iowa. If in its
- 4 final judgment the court determines that the proposed
- 5 charter fails to conform to the Constitution or laws
- 6 of this state, the commission shall have a period of
- 7 six months in which to revise and resubmit the
- 8 proposed charter.
- 9 3. All provisions of law authorizing contributions
- 10 of any kind, in money or otherwise, from the state or
- 11 federal government to counties and cities shall remain
- 12 in full force with respect to each city and the county
- 13 comprising a city-county consolidated local form of
- 14 government.
- 15 4. The adoption of the city-county consolidated
- $16 \quad \underline{form \ of \ government \ does \ not \ alter \ any \ right \ or}$
- 17 <u>liability of the county or consolidated city in effect</u>
- $18 \hspace{0.2cm} \underline{at \hspace{0.1cm} the \hspace{0.1cm} time \hspace{0.1cm} of \hspace{0.1cm} the \hspace{0.1cm} election \hspace{0.1cm} at \hspace{0.1cm} which \hspace{0.1cm} the \hspace{0.1cm} charter \hspace{0.1cm} was}$
- 19 adopted.
- 20 <u>5. All departments and agencies of the county and</u>
- 21 of each consolidated city shall continue to operate
- 22 until their authority to operate is superseded by
- 23 action of the governing body.
- 24 <u>6. Upon the effective date of the adopted charter,</u>
- 25 the county shall adopt the city-county consolidated
- 26 form of government by ordinance, and shall file a copy
- 27 with the secretary of state and maintain available
- 28 copies for public inspection.
- 29 7. Members of the governing body of the county and
- 30 of each consolidated city shall continue in office
- 31 until the members of the governing body of the city-
- 32 county consolidated form of government have been
- 33 elected and sworn into office, at which time the
- 34 offices of the former governing bodies shall be
- 35 abolished, and the terms of the members of the former
- 36 governing bodies shall be terminated. During the
- 37 period between the effective date of the charter and
- 38 the election and qualification of the elected members
- 39 of the new governing body, the former governing bodies
- 40 of each consolidated city and of the county shall
- 41 continue to perform their duties and shall assist in
- 42 planning the transition to the city-county
- 43 consolidated form of government.
- 8. If a city-county consolidation charter is
- 45 submitted to the electorate but is not adopted.
- 46 another charter shall not be submitted to the
- 47 electorate for at least two years from the date of the
- 48 election at which the charter was rejected. If a
- 49 city-county consolidation charter is adopted, a
- 50 proposed charter for another alternative form of

- 1 county government shall not be submitted to the
- 2 electorate for at least six years from the date of the
- 3 election at which the charter was adopted.
- 4 Sec. 16. Section 331.250, Code 2003, is amended to
- 5 read as follows:
- 6 331.250 GENERAL POWERS OF CONSOLIDATED LOCAL
- 7 GOVERNMENTS.
- 8 The consolidation charter shall provide for the
- 9 delivery of services to specified areas of the
- 10 consolidated local government county and of each
- 11 consolidated city. The governing body of the
- 12 consolidated government shall administer supervise the
- 13 administration of the provision of services in each of
- 14 the designated service areas and shall have the
- 15 authority to determine the boundaries of the service
- 16 areas. For each service provided by the consolidated
- 17 government, the consolidated government shall assume
- 18 the same statutory rights, powers, and duties relating
- 19 to the provision of the service as if the county or
- 20 the member city were itself providing the service to
- 21 its citizens.
- 22 Sec. 17. Section 331.251, Code 2003, is amended to
- 23 read as follows:
- 24 331.251 RULES, ORDINANCES, AND RESOLUTIONS OF
- 25 CONSOLIDATED UNIT GOVERNMENT.
- 26 Within two years after ratification of the
- 27 consolidation, the governing body of the consolidated
- 28 unit of local government shall revise, repeal, or
- 29 reaffirm all rules, ordinances, and resolutions in
- 30 force within the participating county and cities at
- 31 the time of consolidation. Each rule, ordinance, or
- 32 resolution in force within a county or within a city
- $\,33\,\,$  at the time of consolidation shall remain in force
- 34 within the former geographic jurisdiction that county
- 35 or within that city until superseded by action of the
- 36 new governing body, unless the rule, ordinance, or
- 37 resolution is in conflict with a provision of the
- 38 charter, in which case, the charter provision shall
- 39 supersede the conflicting rule, ordinance, or
   40 resolution. Ordinances and resolutions relating to
- 41 public improvements to be paid for in whole or in part
- 42 by special assessments shall remain in effect until
- 43 paid in full.
- 44 Sec. 18. Section 331.252, Code 2003, is amended to
- 45 read as follows:
- 46 331.252 FORM OF BALLOT -- CITY-COUNTY
- 47 CONSOLIDATION.
- 48 The question of city-county consolidation shall be
- 49 submitted to the electors in substantially the
- 50 following form:

Should the corporate existence and governments of the county of ..... and the cities of ..... and ..... be consolidated into one joint city county corporation government charter described below be adopted for (insert name of county and each city proposing to consolidate)? If section 331.247, subsection 4, applies, the 7 following question shall be placed on the ballot of 8 each participating city: 10 Should the (name of city or second county) participate in the consolidation charter? The ballot must contain a brief description and 13 summary of the proposed charter or amendment. Sec. 19. Section 331.254, subsection 7, Code 2003, 15 is amended to read as follows: 7. The merger of the elective offices of each 17 consolidating county with the election of new officers within sixty days after the effective date of the 18 19 charter which shall specifically provide whether the 20 election of new officers shall be on a partisan or 21 nonpartisan basis, notwithstanding section 331.238, 22 subsection 3. The elections shall be conducted by the 23 county commissioner of elections of each county. No primary election shall be held. Nominations shall be made pursuant to section 43.78 and chapters 44 and 45, 26 as applicable, except that the filing deadline shall be forty days before the election. Sec. 20. Section 331.260, subsection 2, Code 2003, 29 is amended to read as follows: 2. A charter proposing a community commonwealth as an alternative form of government may be submitted to 32 the voters only by a commission established under 33 section 331.232. A majority vote by the commission is 34 required for the submission of a charter proposing a community commonwealth as an alternative form of local government. The commission submitting a community 37 commonwealth form of government shall issue a final 38 report and proposal. If an alternative form of government for a community commonwealth form of local government is proposed, approval of the commonwealth charter shall be a separate ballot issue from approval of the alternative form of government in those cities 43 proposed to be included in the commonwealth. The 44 commonwealth charter shall be effective in regard to a 45 city government only if a majority of the voters of 46 the city voting on the question voted for participation in the commonwealth charter. Adoption 48 of the proposed community commonwealth charter requires the approval of a majority of the votes cast

50 in the entire county. A city named on the ballot is

- 1 <u>included in the community commonwealth if the proposed</u>
- 2 community commonwealth charter is approved by a
- 3 majority of the votes cast in the city.
- 4 The question of forming a community commonwealth
- shall be submitted to the electorate in substantially
- 6 the same form manner as provided in section 331.247,
- 7 <u>subsection 4, and section 331.252.</u>
- 8 Sec. 21. Section 331.261, subsection 2, Code 2003,
- 9 is amended to read as follows:
- 10 2. An elective legislative body established in the
- 11 manner provided for county boards of supervisors under
- 12 sections 331.201 through 331.216 and section 331.238
- 13 <u>331.248</u>, subsection 2.
- 14 Sec. 22. Section 331.261, subsection 11, Code
- 15 2003, is amended to read as follows:
- 16 11. The partisan Notwithstanding section 331.238,
- 17 <u>subsection 3</u>, whether the election of community
- 18 commonwealth government officials shall be on a
- 19 partisan or nonpartisan basis.
- 20 Sec. 23. Section 331.261, unnumbered paragraph 2,
- 21 Code 2003, is amended to read as follows:
- 22 The community commonwealth charter may include
- 23 other provisions  $\underline{\text{which the commission elects to}}$
- 24 <u>include and which are not inconsistent irreconcilable</u>
- 25 with state law, including, but not limited to, those
- 26 provisions in section 331.248, subsection 4.
- 27 Sec. 24. Section 331.262, Code 2003, is amended by
- 28 adding the following new subsections:
- 29 NEW SUBSECTION. 1A. The adoption of the community
- 30 commonwealth form of government does not alter any
- 31 right or liability of the county or member city in
- 32 effect at the time of the election at which the
- 33 charter was adopted.
- 34 NEW SUBSECTION. 1B. All departments and agencies
- 35 of the county and of each member city shall continue
- 36 to operate until their authority to operate is
- 37 superseded by action of the governing body.
- 38 NEW SUBSECTION. 1C. All ordinances or resolutions
- 39 in effect remain effective until amended or repealed,
- 40 unless they are irreconcilable with the adopted
- 41 charter.
- 42 NEW SUBSECTION. 1D. Upon the effective date of
- 43 the adopted charter, the county shall adopt the
- 44 community commonwealth form of government by
- 45 ordinance, and shall file a copy with the secretary of
- 46 state and maintain available copies for public
- 47 inspection.
- 48 <u>NEW SUBSECTION</u>. 1E. Members of the governing body
- 49 of the county and of each member city shall continue
- 50 in office until the members of the governing body of

- the community commonwealth form of government have
- been elected and sworn into office, at which time the
- offices of the former governing bodies shall be
- abolished, and the terms of the members of the former
- governing bodies shall be terminated. During the
- period between the effective date of the charter and
- 7 the election and qualification of the elected members
- of the new governing body, the former governing bodies
- of each member city and of the county shall continue
- 10 to perform their duties and shall assist in planning
- 11 the transition to the community commonwealth form of
- 12 government.
- NEW SUBSECTION. 1F. If a community commonwealth 13
- 14 charter is submitted to the electorate but is not
- 15 adopted, another charter shall not be submitted to the
- 16 electorate for at least two years from the date of the
- election at which the charter was rejected. If a
- 18 community commonwealth charter is adopted, a proposed
- 19 charter for another alternative form of county
- 20 government shall not be submitted to the electorate
- 21 for at least six years from the date of the election
- 22 at which the charter was adopted.
- 23 Sec. 25. NEW SECTION. 331.264 LOCAL GOVERNMENT
- 24 ORGANIZATION REVIEW COMMITTEE.
- 1. A local government organization review
- 26 committee may be created in a county. The committee
- 27 shall be composed of the following members:
- a. Three city council members appointed by the
- 29 city council of each participating city with a
- population of twenty-five thousand or more.
- 31 b. Three county supervisors appointed by the
- county board of supervisors.
- c. One city council member appointed by each
- 34 participating city with a population of less than
- 35 twenty-five thousand.
- d. One member shall be appointed by each state
- 37 legislator whose legislative district is located in
- 38 the county if a majority of the constituents of that
- 39 legislative district reside in the county. However,
- 40 if a county does not have a state representative's
- 41 legislative district which has a majority of a state representative's constituency residing in the county,
- 43 the state representative having the largest plurality
- 44 of constituents residing in the county shall appoint a
- 45 member. The member appointed by each state legislator
- 46 shall be a person who is not holding elected office
- and who is a resident of the legislative district of
- 48 the state legislator. If any portion of a legislative
- 49 district is in the unincorporated area of the county,
- 50 the member appointed by that legislator shall be a

- resident of the unincorporated area of the county.
- e. Three members appointed by the township
- trustees of all the townships in the county and an
- additional member appointed by the township trustees
- for each five percent of the total population of the 5
- county residing in the unincorporated area of the 6
- 7 county. The members shall be residents of the
- unincorporated area of the county and shall be persons
- who are not holding elected office other than that of
- 10 township trustee. The county auditor shall determine
- 11 the date and location for a meeting of the township
- 12 trustees of all the townships in the county at which
- meeting the appointments shall be made and shall
- provide written notice of the meeting to the trustees.
- 15 The meeting shall be held in accordance with chapter
- 16 21.
- 17 Organization and expenses of the committee are
- 18 subject to section 331.234 as if the committee were a
- city-county consolidation or community commonwealth
- commission. Sections 69.16 and 69.16A shall not apply 21 to the committee. However, a city allowed more than
- 22 one appointment shall balance its appointments in
- 23 accordance with sections 69.16 and 69.16A, when
- 24 possible.
- 25 2. Members shall be appointed to the organization
- 26 review committee within thirty days after any of the
- 27 following occurs:
- a. The county board of supervisors and each city
- 29 council in the county adopt a joint resolution calling
- for appointment of members to the committee and files
- the resolution with the county board of supervisors.
- b. The county board of supervisors in a county
- 33 adopts a resolution calling for appointment of members
- 34 to the committee.
- 35 c. A petition signed by eligible electors of the
- 36 county equal in number to at least twenty-five percent
- 37 of the votes cast in the county for the office of
- 38 president of the United States or governor at the
- preceding general election or the signatures of at
- 40 least ten thousand eligible electors of the county,
- 41 whichever number is fewer, is filed with the county
- 42 board of supervisors.
- 3. Within seven months after the organization of 43 44 the organization review committee, the committee shall
- 45 submit a preliminary report to the county board of
- 46 supervisors with a recommendation as to what the
- committee believes to be the best proposal for an
- 48 alternative form of government for the county. The
- 49 auditor's office shall make the report available to 50 the public upon request. A summary of the report

- 1 shall be published in the official newspapers of the
- 2 county and in a newspaper of general circulation in
- 3 each participating city.
- 4 4. If the committee report recommends a city-
- county consolidation or community commonwealth, the
- 6 committee shall continue its existence and be
- 7 designated, and operate with the powers and duties of,
- 8 a commission created pursuant to section 331.233A. If
- 9 the committee report recommends a multicounty
- 10 consolidation, the committee shall continue its
- 11 existence and be designated, and operate with the
- 12 powers and duties of, a commission created pursuant to
- 13 section 331.233. If the committee recommends an
- 14 alternative form of government, that recommendation
- 15 shall state whether elections conducted under that
- 16 form of government shall be partisan or nonpartisan.
- 17 5. This section does not apply to a county in
- 18 which a charter commission has been established and is
- 19 operating as of July 1, 2003.
- 20 Sec. 26. Section 372.1, Code 2003, is amended by
- 21 adding the following new subsections:
- 22 NEW SUBSECTION. 7. City-county consolidated form
- 23 as provided in sections 331.247 through 331.252.
- 24 <u>NEW SUBSECTION</u>. 8. Community commonwealth as
- 25 provided in sections 331.260 through 331.263.
- 26 Sec. 27. Section 372.2, unnumbered paragraph 1,
- 27 Code 2003, is amended to read as follows:
- 28 A Unless otherwise provided by law, a city may
- 29 adopt a different form of government not more often
- 30 than once in a six-year period. A different form,
- 31 other than a home rule charter, or special charter,
- 32 city-county consolidated form of government, or
- 33 <u>community commonwealth</u> must be adopted as follows:
- 34 Sec. 28. IMPLEMENTATION OF ACT. Section 25B.2,
- 35 subsection 3, shall not apply to this Act.
- 36 Sec. 29. EFFECTIVE AND APPLICABILITY DATES. This
- 37 Act, being deemed of immediate importance, takes
- 38 effect upon enactment and applies to charter
- 39 commissions in existence on the effective date of this
- 40 Act."

Amendment H-1176 was adopted.

# **SENATE FILE 390 SUBSTITUTED FOR HOUSE FILE 646**

Elgin of Linn asked and received unanimous consent to substitute **Senate File 390** for **House File 646**.

Senate File 390, a bill for an act relating to certain alternative forms of county and city government by providing for county redistricting and representation, charter commission administration, application of various statutory requirements, the manner in which a charter may be proposed and adopted, amendment of a charter, the organization of the governing body, and inclusions in a charter, making technical changes relating to the administration and authority of a city-county consolidated government and a community commonwealth, allowing formation of local government organization review committees, and including effective and applicability date provisions, was taken up for consideration.

Jochum of Dubuque asked and received unanimous consent that amendment H-1193 be deferred.

Hogg of Linn asked and received unanimous consent to withdraw amendment H-1164 filed by him on March 25, 2003.

Elgin of Linn asked and received unanimous consent to withdraw amendment H-1233 filed by him on April 2, 2003.

Hogg of Linn asked and received unanimous consent to withdraw amendments  $\underline{H-1594}$  and  $\underline{H-1601}$  filed by him from the floor.

Hogg of Linn asked and received unanimous consent that amendments H-1165, 1169 and 1166 be deferred.

Van Engelenhoven of Marion asked and received unanimous consent to withdraw amendment  $\underline{\text{H-}1181}$  filed by him on March 27, 2003.

Hogg of Linn asked and received unanimous consent that amendment H-1167 be deferred.

Van Engelenhoven of Marion asked and received unanimous consent to withdraw amendment  $\underline{H-1191}$  filed by Van Engelenhoven of Marion, et al., on March 27, 2003, placing out of order amendment  $\underline{H-1203}$  filed by Wise of Lee on March 31, 2003.

Mertz of Kossuth offered the following amendment  $\underline{H-1451}$  filed by her and moved its adoption:

## H-1451

- Amend Senate File 390, as amended, passed, and
- reprinted by the Senate, as follows:
- 3 1. Page 7, by striking lines 19 through 31, and
- inserting the following: 4
- 5 "4. If an alternative form of government for a
- 6 consolidated unit of local government is proposed,
  - approval of the consolidation charter shall be a
- separate ballot issue from approval of the alternative
- form of government in those cities proposed to be
- 10 included in the consolidation. The consolidation
- 11 charter shall be effective in regard to a city
- 12 government only if a majority of the voters of the
- 13 city voting on the question voted for participation in
- 14 the consolidation charter. The consolidation charter
- 15 is adopted only if all of the following apply:
- a. A majority of the votes cast in the
- 17 unincorporated area of the county approves the
- 18 proposal.
- b. A majority of the votes cast in the entire
- 20 county approves the proposal.
- 21 c. A majority of the votes cast in at least one
- 22 city named on the ballot approves the proposal.
- 2. Page 17, by striking lines 8 through 13, and 23
- 24 inserting the following: "participation in the
- 25 commonwealth charter. The community commonwealth
- 26 charter is adopted only if all of the following apply:
- a. A majority of the votes cast in the
- 28 unincorporated area of the county approves the
- 29 proposal.
- b. A majority of the votes cast in the entire
- 31 county approves the proposal.
- c. A majority of the votes cast in at least one
- city named on the ballot approves the proposal.

Roll call was requested by Mertz of Kossuth and Huser of Polk.

Rule 75 was invoked.

On the question "Shall amendment H-1451 be adopted?" (S.F. 390)

The ayes were, 48:

Bell Cohoon Connors Berry Dandekar Davitt Eichhorn Fallon Foege Ford Frevert Gaskill Granzow Greimann Heaton Heddens Hunter Huser Jochum Hogg

Kuhn Lensing Lykam Mascher **McCarthy** Mertz Miller Murphy Oldson Osterhaus Myers Olson, D. Reasoner Shoultz Petersen Quirk Smith Stevens Struyk Swaim Taylor, D. Taylor, T. Thomas Wendt Whitaker Whitead Winckler Wise

The nays were, 51:

Alons **Baudler** Boal Arnold Boddicker **Boggess** Carroll Chambers De Boef Dennis Dix Dolecheck Drake Elgin Freeman Gipp Hahn Greiner Hansen Hanson Hoffman Horbach Huseman Hutter **Jenkins** Jacobs Jones Klemme Kramer Kurtenbach Lalk Lukan Maddox Manternach Olson, S. Paulsen Raecker Rants, Spkr. Rasmussen Rayhons Sands Schickel **Tjepkes** Tymeson Van Engelenhoven Van Fossen, J.K. Van Fossen, J.R. Upmeyer Watts Wilderdyke Roberts, **Presiding** 

Absent or not voting, 1:

Bukta

Amendment H-1451 lost.

Hogg of Linn asked and received unanimous consent that amendment  $\underline{H-1168}$  be deferred.

Van Engelenhoven of Marion asked and received unanimous consent to withdraw amendment  $\underline{H-1179}$  filed by Van Engelenhoven, et al., on March 26, 2003.

Hogg of Linn asked and received unanimous consent to withdraw amendment <u>H-1182</u> filed by him on March 27, 2003.

Elgin of Linn asked and received unanimous consent to withdraw amendment <u>H-1232</u> filed by him on April 2, 2003.

Hogg of Linn asked and received unanimous consent to withdraw amendment H-1178 filed by him on March 26, 2003.

Wise of Lee asked and received unanimous consent to withdraw amendment H-1206 filed by him on March 31, 2003.

Jochum of Dubuque offered the following amendment H-1193, previously deferred, filed by her and moved its adoption:

## H-1193

- Amend Senate File 390, as amended, passed, and
- reprinted by the Senate, as follows:
- 1. By striking everything after the enacting
- clause and inserting the following:
- "Section 1. Section 331.210A, subsection 2, Code 5
- 2003, is amended by adding the following new
- paragraph:
- NEW PARAGRAPH. f. (1) Notwithstanding the
- provisions of this section to the contrary, a county
- 10 that has adopted a charter for a city-county
- 11 consolidated form of government or a community
- 12 commonwealth form of government and which charter
- 13 provides for representation by districts, the
- 14 legislative service bureau, and not the temporary
- 15 county redistricting commission, shall draw a first or
- 16 second plan as necessary and required by paragraph "a"
- pursuant to a contract executed with the county. The
- 18 plan drawn by the legislative service bureau shall be
- 19 based upon the precinct plan adopted for use by the
- 20 county and shall be drawn in accordance with section
- 21 42.4, to the extent applicable.
- 22 (2) The plan drawn by the legislative service
- 23 bureau shall be submitted to the temporary county
- 24 redistricting commission which shall not amend the
- 25 plan and which shall perform the duties required by
- 26 paragraphs "b" and "c" concerning the plan. The
- 27 temporary county redistricting commission shall accept 28 the plan in total or it may request and contract to
- 29 have a second plan prepared by the legislative service
- 30 bureau. In doing so, the temporary county
- 31 redistricting commission shall state its objections to
- 32 the first plan in writing.
- (3) After the requirements of paragraphs "b" and 33
- 34 "c" have been met with respect to either a first or
- 35 second plan, the plan drawn by the legislative service
- 36 bureau and accepted by the temporary county
- 37 redistricting commission shall be submitted to the
- 38 governing body for its approval or rejection. If the
- 39 plan drawn by the legislative service bureau and
- 40 accepted by the temporary county redistricting
- 41 commission is rejected by the governing body, the
- 42 governing body may consider and accept the other plan

- 43 submitted by the legislative service bureau to the
- 44 temporary county redistricting commission, if any, or
- 45 shall direct the temporary county redistricting
- commission to prepare another plan as provided by
- 47 paragraph "d".
- Sec. 2. Section 331.231, subsection 5, Code 2003,
- 49 is amended to read as follows:
- 5. City-county consolidated form as provided in

- section sections 331.247 through 331.252.
- Sec. 3. Section 331.232, subsection 3, Code 2003,
- 3 is amended to read as follows:
- 4 3. An alternative form of county government shall
- be submitted to the county electorate by the
- commission in the form of a charter or charter 6
- amendment.
- Sec. 4. Section 331.234, subsections 3 and 4, Code
- 2003, are amended to read as follows:
- 3. The board shall make available to the
- commission in-kind services such as office space,
- printing, supplies, and equipment and. The county
- 13 shall pay from the segregated account established in
- 14 subsection 4, the other necessary expenses of the
- 15 commission including compensation for secretarial,
- 16 clerical, professional, and consultant services. The
- total annual expenses, not including the value of in-17
- 18 kind expenses, to be paid from public funds shall not
- exceed one hundred thousand dollars or an amount equal
- 20 to thirty cents times the population of the commission area, according to the most recent certified federal
- census. The commission may employ staff as necessary.
- 4. The expenses of the commission may be paid from
- 24 the general fund of the county shall be paid by each 25
- city and county participating in the charter process 26 or from any combination of public or private funds
- available for that purpose. Each city's share shall
- 28 be its pro rata share of the expenses based upon the
- 29 ratio that the population of the city bears to the
- 30 total population in the county. The county's share 31 shall be its pro rata share of expenses based upon the
- ratio that the population of the unincorporated area 33
- of the county bears to the total population of the 34 county. The amount paid by each city and county
- 35 participating in the charter process shall be
- 36 deposited in a segregated account maintained by the
- 37 county. The commission's annual expenses may exceed
- the amount in subsection 3 only if the excess is paid
- 39 from private funds. If a proposed charter is
- 40 submitted to the electorate, private funds donated to
- 41 the commission may be used to promote passage of the

- 42 proposed charter.
- Sec. 5. Section 331.235, Code 2003, is amended to
- 44 read as follows:
- 331.235 COMMISSION PROCEDURES AND REPORTS.
- 1. Within sixty days after its organization, the
- 47 commission shall hold at least one public hearing for
- 48 the purpose of receiving information and material
- which will assist in the drafting of a charter.
- 50 Notice of the date, time, and place of the hearing

- shall be given as provided in chapter 21. If the
- commission is created pursuant to section 331.264,
- subsection 4, the hearing shall be held thirty days
- after submission of the preliminary report to the
- board, pursuant to section 331.264, subsection 3. 5
- 2. Within nine months after the organization of
- the commission, the commission shall submit a preliminary report to the board, which report may
- include the text of the proposed charter. If a
- proposed charter is included in the preliminary 10
- 11 report, the report shall also include an analysis of
- 12 the fiscal impact of the proposed charter. Sufficient
- 13 copies of the report shall be made available for
- 14 distribution to residents of the county who request a
- copy. The commission shall hold at least one public
- 16 hearing after submission of the preliminary report to
- obtain public comment. This subsection does not apply
- 18 if the commission is created pursuant to section
- 19 <u>331.264</u>, subsection 4.
- 3. Within twenty months after organization, the
- commission shall submit the final report to the board.
- If the commission is created pursuant to section
- 23 331.264, subsection 4, the commission shall submit the
- 24 final report to the board within five months after
- submission of the preliminary report to the board 25
- pursuant to section 331.264, subsection 3. A
- 27 commission created pursuant to section 331.264,
- 28 subsection 4, may adopt a motion granting itself a
- 29 sixty-day extension of time for submission of its
- 30 final report. If the commission recommends a charter
- including a form of government other than the existing
- form of government, the final report shall include the
- 33 full text and an explanation of the proposed charter,
- 34 a statement of alternatives considered including but
- 35 not limited to the potential for agreements under
- 36 chapter 28E, a statement that the elected officers
- shall be elected on a partisan basis, an analysis of
- 38 the fiscal impact of the proposed charter, any
- 39 comments deemed desirable by the commission, and any
- 40 minority reports. The final report may recommend no

- 41 change to the existing form of government and that no
- 42 charter be submitted to the electorate, in which case,
- 43 the report shall state the reasons for and against a
- 44 change in the existing form of government. The final
- 45 report shall be made available to the residents of the
- 46 county upon request. A summary of the final report
- 47 shall be published in the official newspapers of the
- 48 county and in a newspaper of general circulation in
- 49 each participating city.
- 4. The commission is dissolved on the date of the

- 1 general election at which the proposed charter is
- 2 submitted to the electorate. However, if a charter
- 3 proposing the city-county consolidated form or the
- 4 community commonwealth form is adopted, the commission
- 5 is dissolved on the date that the terms of office of
- 6 the members of the governing body for the alternative
- 7 <u>form of government commence.</u> If a charter is not
- 8 recommended, the commission is dissolved upon
- 9 submission of its final report to the board.
- 10 Sec. 6. Section 331.237, subsection 3, Code 2003,
- 11 is amended to read as follows:
- 12 3. If a charter is submitted to the electorate but
- 13 is not adopted, another charter shall not be submitted
- 14 to the electorate for two six years. If a charter is
- 15 adopted, it may be amended at any time. If a charter
- 16 is adopted, a proposed charter for another alternative
- 17 form of county government shall not be submitted to
- 18 the electorate for six years.
- 19 Sec. 7. Section 331.237, Code 2003, is amended by
- 20 adding the following new subsection:
- 21 NEW SUBSECTION. 4. Subsections 2 and 3 do not
- 22 apply to the city-county consolidated form of
- 23 government or the community commonwealth form of
- 24 government.
- 25 Sec. 8. Section 331.238, Code 2003, is amended by
- 26 adding the following new subsection:
- 27 NEW SUBSECTION. 4. Subsections 1 and 2 do not
- 28 apply to the city-county consolidated form of
- $29 \quad government \ or \ the \ community \ commonwealth \ form \ of$
- 30 government.
- 31 Sec. 9. Section 331.244, Code 2003, is amended by
- 32 adding the following new subsection:
- 33 NEW SUBSECTION. 3. This section does not apply to
- 34 the city-county consolidated form of government.
- 35 Sec. 10. Section 331.247, Code 2003, is amended to
- 36 read as follows:
- 37 331.247 CITY-COUNTY CONSOLIDATION FORM.
- 38 1. a county and one or more cities within the
- 39 county may unite to form a single unit of local

- 40 government in accordance with this part. A commission
- 41 appointed pursuant to section 331.233A may propose a
- 42 charter under which a county and one or more cities
- within the county may unite to form a single unit of
- 44 local government, or may propose a charter under which
- 45 a county and one or more cities within the county may
- 46 form a combined governance structure for the county
- and such cities in accordance with this part. The
- 48 charter shall declare whether the form is a merger of
- a county and one or more cities to form a single unit
- 50 of local government or whether the form establishes a

- 1 combined government structure of a county and one or
- more cities. Either option proposed shall be referred
- 3 to as a city-county consolidated form of government.
- If more than fifty percent of the population of a city
- resides within the affected county, it is a city
- 6 within the county for the purposes of this section and
- may continue its status as a city within the county
- 8 even if the population of such city falls below the
- fifty percent threshold in a future census.
- 2. An alternative form of government, including a
- 11 charter form, for a consolidated unit of government
- 12 may be submitted to the voters only by a commission
- established under this chapter. A majority vote by
- 14 the charter commission is required for the submission
- 15 to the electorate of an alternative form of government
- 16 for a consolidated unit of local government proposed
- charter for a city-county consolidated form of 17
- government. The charter commission submitting a 18
- consolidated form shall issue a final report and 19
- 20 proposal.
- 21 3. An alternative form of government for a A city-
- 22 county consolidated unit of local government form of
- 23 government does not need to include more than one
- city. A city shall not be included unless the city
- participates in the commission process, and a majority 25
- of the electors of the affected city voting approves
- 27 the proposed charter for the consolidated government.
- 28 4. If an alternative form of government for a
- consolidated unit of local government is proposed,
- approval of the consolidation charter shall be a
- separate ballot issue from approval of the alternative 31
- 32 form of government in those cities proposed to be
- 33 included in the consolidation. The consolidation
- 34 charter shall be effective in regard to a city
- government only if a majority of the voters of the
- 36 city voting on the question voted for participation in
- 37 the consolidation charter. A city named on the ballot
- 38 shall consolidate with the county if a majority of the

- 39 votes cast in the city on the proposal approves the
- 40 proposal. If one or more cities named on the ballot
- 41 approves the proposal, the charter is adopted if both
- 42 a majority of the votes cast in the unincorporated
- 43 area of the county approves the proposal and a
- 44 majority of the votes cast in the entire county
- 45 approves the proposal.
- 5. A city may request to join an existing city-
- county consolidated government by resolution of the
- city council or upon petition of eligible electors of
- 49 the city equal in number to at least twenty-five
- 50 percent of the persons who voted at the last general

- election for the office of governor or president of
- the United States, whichever is fewer regular city
- election. Within fifteen days after receiving a valid
- petition, the city council of the petitioning city
- shall adopt a resolution in favor of participation and
- shall immediately, within ten days of adoption,
- forward the resolution to the legislative governing
- body of the city-county consolidated government. If a
- majority of the city county consolidated legislative
- 10 governing body of the city-county consolidated
- government approves the resolution, the question of
- joining the city-county consolidated government shall
- 13 be submitted to the electorate of the petitioning city
- 14 within sixty days after approval of the resolution.
- 6. a. If a charter is adopted, it may be amended
- 16 at any time by one of the following methods:
- (1) The governing body of the city-county
- 18 consolidated form of government, by resolution, may
- submit a proposed amendment to the voters at a general
- 20 election, and the proposed amendment becomes effective
- 21 upon approval by a majority of those voting.
- (2) The governing body of the city-county
- consolidated form of government, by ordinance, may
- amend the charter. However, within thirty days 24
- following publication of the ordinance, if a petition
- 26 valid under the provisions of section 331.306 is filed
- 27 with the governing body of the city-county
- consolidated form of government, the governing body
- 29 must submit the charter amendment to the voters at the
- 30 next general election and, in such an event, the
- 31 amendment becomes effective only upon approval of a
- 32 majority of those voting within the city-county
- 33 <u>consolidated area.</u>
- (3) If a petition valid under the provisions of
- 35 section 331.306 filed with the governing body of the
- city-county consolidated form of government, proposing
- an amendment to the charter, the governing body must

- 38 submit the proposed amendment to the voters at a
- 39 general election and, in such an event, the amendment
- 40 becomes effective only upon approval of a majority of
- 41 those voting within the city-county consolidated area.
- 42 <u>b. If an election is held, the governing body</u>
- 43 shall submit the question of amending the charter to
- 44 the electors in substantially the following form:
- 45 Should the amendment described below be adopted for
- 46 the city-county consolidated charter of (insert name
- 47 of county and of each consolidated city)?
- 48 The ballot must contain a brief description and
- 49 summary of the proposed amendment.
- 0 c. An amendment shall not adopt an alternative

- 1 form of county government but an amendment may allow
- 2 the governing body of a city-county consolidated form
- 3 of government that has a combined governance structure
- 4 to adopt a city-county consolidated form of government
- 5 <u>under which a county and one or more cities within the</u>
- 6 county unite to form a single unit of local
- 7 government.
- 8 Sec. 11. Section 331.248, subsection 1, Code 2003,
- 9 is amended to read as follows:
- 10 1. The charter commission proposing consolidation
- 11 a city-county consolidated form of government shall
- 12 prepare, adopt, and submit cause to be submitted to
- 13 the voters a consolidation the charter including an
- 14 alternative form of government.
- 15 Sec. 12. Section 331.248, subsection 2, Code 2003,
- 16 is amended to read as follows:
- 17 2. The consolidation charter for a city-county
- 18 consolidated form of government shall:
- 19 a. Provide for adjustment of existing bonded
- 20 indebtedness and other obligations in a manner which
- 21 will provide for a fair and equitable burden of
- 22 taxation for debt service.
- 23 b. Provide for establishment of service areas,
- 24 except that formation of a city-county consolidation
- 25 government consolidated form of government shall not
- 26 affect the assignment of electric utility service
- 27 territories pursuant to chapter 476, and shall not
- $28 \quad affect \ the \ rights \ of \ a \ city \ to \ grant \ a \ franchise \ under$
- 29 chapter 364.
- 30 c. Provide for the transfer or other disposition
- 31 of property and other rights, claims, assets, and
- 32 franchises of local governments the county and each
- 33 city consolidated under the alternative form.
- 34 d. Provide the official name of the city-county
- 35 consolidated unit of local government form of
- 36 government.

- e. Provide for the transfer, reorganization,
- 38 abolition, absorption, and adjustment of boundaries of
- all existing boards, bureaus, commissions, agencies,
- special districts, and political subdivisions of the
- 41 <u>city-county</u> consolidated <u>form of government</u>.
- f. Include other provisions which the county
- 43 charter commission and the city charter commission
- 44 elect to include and which are not inconsistent with
- 45 state law. Provide for the exercise of home rule
- power and authority not inconsistent with state law.
- g. Provide for a governing body of an odd number 47
- 48 of members, not less than five, but which may exceed
- the number of members specified in sections 331.201.
- 50 <u>331.203</u>, and <u>331.204</u>. The titles of the members of

- the governing body shall be determined by the charter.
- h. Provide for a representation plan for the
- 3 governing body which representation plan may differ
- from the representation plans provided in section
- 331.206 and in chapter 372. If the plan calls for
- representation by districts, the plan shall be drawn
- pursuant to section 331.210A, subsection 2, paragraph
- R "f". The initial representation plan shall be drawn
- as provided in section 331.210A, subsection 2,
- 10 paragraph "f", within ninety days after the election
- at which the charter is approved. For the initial
- 12 representation plan, the charter commission shall
- 13 assume the role of the governing body for purposes of
- this paragraph and section 331.210A, subsection 2, 14
- 15 paragraphs "d" through "f".
- i. Provide for the initial compensation for 16
- 17 members of the governing body and for a method of
- 18 changing the compensation.
- 19 i. Provide for the partisan election of its
- 20 officers.
- 21 Sec. 13. Section 331.248, Code 2003, is amended by
- 22 adding the following new subsection:
- NEW SUBSECTION. 4. The consolidation charter may
- 24 include other provisions which the commission elects
- 25 to include and which are not irreconcilable with state
- 26 law. These provisions may include but are not limited
- 27 to the following:
- a. Provide for a method of selecting officers of
- 29 the governing body and fixing their terms of office
- 30 which may differ from the requirements of sections
- 31 331.208 through 331.211 and the provisions of chapter
- 32
- b. Provide for meetings of the governing body and 33
- 34 rules of procedure which may differ from the
- 35 requirements of section 331.213, except that the

- 36 meetings shall be scheduled and conducted in
- compliance with chapter 21.
- c. Provide for combining the duties of elected
- 39 officials of the county, for eliminating elected
- 40 offices and the assumption of the duties of those
- 41 offices by appointed officials, and for adding to,
- 42 deleting, or otherwise changing the duties of
- 43 officials, elected or otherwise, of the county and
- 44 each consolidated city.
- d. Provide for the organization of city and county
- 46 departments, agencies, or boards. The organization
- plan may provide for the abolition or consolidation of
- 48 a department, agency, board, or commission and the
- 49 assumption of its powers and duties by the governing
- 50 body or by another department, agency, board, or

- commission. This paragraph does not apply to the
- board of trustees of a county hospital. 2
- e. Provide for a method for the governing body or
- 4 another office to exercise the powers and duties of
- the township trustees, in lieu of their election or 5
- Sec. 14. Section 331.249, Code 2003, is amended to 7
- 8 read as follows:
- 331.249 EFFECT OF CONSOLIDATION.
- 10 1. a. The consolidation of one or more cities and
- 11 one or more counties shall create a unified government
- 12 which includes a municipal corporation and a county.
- 13 A city-county consolidated form of government under
- 14
- which a county and one or more cities within the
- 15 county unite to form a single unit of local government 16 shall create a unified government which includes a
- 17 municipal corporation and a county. The consolidated
- 18 unit shall have the separate status of a county and a
- 19 city for all purposes and shall constitute two
- political subdivisions, a consolidated city and a
- county, under combined governance. The consolidated 21
- unit shall retain one separate constitutional debt
- 23 limitation with respect to its status as a city and a
- 24 separate constitutional debt limitation with respect
- 25 to its status as a county.
- 26 b. The governing body of a city-county
- consolidated form of government under which a county 27
- 28 and one or more cities within the county form a
- 29 combined governance structure shall have, with respect
- 30 to the county, the power and authority of the board of
- supervisors of a county, and, with respect to each
- 32 city, the power and authority of the city council of a
- 33 city. Each consolidated city and the county
- constitute separate political subdivisions. Each

- 35 consolidated city and the county shall retain a
- 36 separate constitutional debt limitation and shall each
- 37 have the authority to issue bonds and incur financial
- 38 obligations in accordance with the provisions of state
- 39 law applicable to a city or a county, respectively.
- 40 2. A The city-county consolidated unit of local
- 41 government form of government may include an area
- which is located in another county, but which is
- 43 within the corporate boundaries of one of the
- 44 consolidated cities. County services shall may be
- 45 provided in the extra-county area and taxes to fund
- 46 those services shall may be collected in the extra-
- 47 county area by the consolidated government, to the
- 48 extent permitted by the Constitution of the State of
- Iowa. In addition to the right to vote in the county
- of residence, electors residing in the extra-county

- area shall have the right to vote on any matter
- related to the city-county consolidated unit of local
- 3 form of government, including election of its
- officials governing body.
- If a city-county consolidation charter is proposed,
- 6 within ninety days following the final report of the
- commission, a resident or property owner of the
- commission area proposed to be consolidated may bring
- an action in district court for declaratory judgment
- to determine the legality of the proposed charter and 10
- 11 to otherwise declare the effect of the charter. The
- 12 court shall expedite its review and determination in
- this matter. The referendum on the proposed charter
- 14 shall be stayed during pendency of the action and for
- 15 such additional time during which the proposed charter
- 16 or its enabling legislation does not conform to the
- Constitution or laws of the State of Iowa. If in its 17
- 18 final judgment the court determines that the proposed
- 19 charter fails to conform to the Constitution or laws
- 20 of this state, the commission shall have a period of
- 21 six months in which to revise and resubmit the
- 22 proposed charter.
- 3. All provisions of law authorizing contributions 23
- of any kind, in money or otherwise, from the state or
- federal government to counties and cities shall remain
- 26 in full force with respect to each city and the county 27
- comprising a city-county consolidated local form of
- 28 government.
- 29 4. The adoption of the city-county consolidated
- 30 form of government does not alter any right or
- 31 <u>liability of the county or consolidated city in effect</u>
- 32 at the time of the election at which the charter was
- 33 adopted.

- 34 5. All departments and agencies of the county and
- 35 of each consolidated city shall continue to operate
- 36 until their authority to operate is superseded by
- 37 action of the governing body.
- 38 6. Upon the effective date of the adopted charter,
- 39 the county shall adopt the city-county consolidated
- 40 form of government by ordinance, and shall file a copy
- 41 with the secretary of state and maintain available
- 42 copies for public inspection.
- 43 7. Members of the governing body of the county and
- 44 of each consolidated city shall continue in office
- 45 until the members of the governing body of the city-
- 46 county consolidated form of government have been
- 47 elected and sworn into office, at which time the
- 48 offices of the former governing bodies shall be
- 49 abolished, and the terms of the members of the former
- 50 governing bodies shall be terminated. During the

- 1 period between the effective date of the charter and
- 2 the election and qualification of the elected members
- 3 of the new governing body, the former governing bodies
- 4 of each consolidated city and of the county shall
- 5 continue to perform their duties and shall assist in
- 6 planning the transition to the city-county
- 7 consolidated form of government.
- 8 8. If a city-county consolidation charter is
- 9 submitted to the electorate but is not adopted,
- 10 another charter shall not be submitted to the
- 11 electorate for at least six years from the date of the
- 12 election at which the charter was rejected. If a
- 13 city-county consolidation charter is adopted, a
- 14 proposed charter for another alternative form of
- 15 county government shall not be submitted to the
- 16 electorate for at least six years from the date of the
- 17 election at which the charter was adopted.
- 18 Sec. 15. Section 331.250, Code 2003, is amended to
- 19 read as follows:
- 20 331.250 GENERAL POWERS OF CONSOLIDATED LOCAL
- 21 GOVERNMENTS.
- 22 The consolidation charter shall provide for the
- 23 delivery of services to specified areas of the
- 24 consolidated local government county and of each
- 25 consolidated city. The governing body of the
- 26 consolidated government shall administer supervise the
- 27 <u>administration of</u> the provision of services in each of
- 28 the designated service areas and shall have the
- 29 authority to determine the boundaries of the service
- 30 areas. For each service provided by the consolidated
- 31 government, the consolidated government shall assume
- 32 the same statutory rights, powers, and duties relating

- 33 to the provision of the service as if the county or
- 34 the member city were itself providing the service to
- 35 its citizens.
- 36 Sec. 16. Section 331.251, Code 2003, is amended to
- 37 read as follows:
- 38 331.251 RULES, ORDINANCES, AND RESOLUTIONS OF
- 39 CONSOLIDATED UNIT GOVERNMENT.
- 40 Within two years after ratification of the
- 41 consolidation, the governing body of the consolidated
- 42 unit of local government shall revise, repeal, or
- 43 reaffirm all rules, ordinances, and resolutions in
- 44 force within the participating county and cities at
- 45 the time of consolidation. Each rule, ordinance, or
- 46 resolution in force within a county or within a city
- 47 at the time of consolidation shall remain in force
- 48 within the former geographic jurisdiction that county
- 49 or within that city until superseded by action of the
- 50 new governing body, unless the rule, ordinance, or

- 1 resolution is in conflict with a provision of the
- 2 charter, in which case, the charter provision shall
- 3 supersede the conflicting rule, ordinance, or
- 4 <u>resolution</u>. Ordinances and resolutions relating to
- 5 public improvements to be paid for in whole or in part
- 6 by special assessments shall remain in effect until
- 7 paid in full.
- 8 Sec. 17. Section 331.252, Code 2003, is amended to
- 9 read as follows:
- 10 331.252 FORM OF BALLOT CITY-COUNTY
- 11 CONSOLIDATION.
- 12 The question of city-county consolidation shall be
- 13 submitted to the electors in substantially the
- 14 following form:
- 15 Should the corporate existence and governments of
- 16 the county of ..... and the cities of ..... and
- 17 ..... be consolidated into one joint city county
- 18 corporation government charter described below be
- 19 adopted for (insert name of county and each city
- 20 proposing to consolidate)?
- 21 If section 331.247, subsection 4, applies, the
- 22 following question shall be placed on the ballot of
- 23 each participating city:
- 24 Should the (name of city or second county)
- 25 participate in the consolidation charter?
- 26 The ballot must contain a brief description and
- 27 summary of the proposed charter <del>or amendment</del>.
- 28 Sec. 18. Section 331.254, subsection 7, Code 2003,
- 29 is amended to read as follows:
- 30 7. The merger of the elective offices of each
- 31 consolidating county with the election of new officers

- 32 within sixty days after the effective date of the
- 33 charter which shall specifically provide that the
- 34 election of new officers shall be on a partisan basis.
- 35 The elections shall be conducted by the county
- 36 commissioner of elections of each county. No primary
- 37 election shall be held. Nominations shall be made
- 38 pursuant to section 43.78 and chapters 44 and 45, as
- 39 applicable, except that the filing deadline shall be
- 40 forty days before the election.
- 41 Sec. 19. Section 331.260, subsection 2, Code 2003,
- 42 is amended to read as follows:
- 43 2. A charter proposing a community commonwealth as
- 44 an alternative form of government may be submitted to
- 45 the voters only by a commission established under
- 46 section 331.232. A majority vote by the commission is
- 47 required for the submission of a charter proposing a
- 48 community commonwealth as an alternative form of local
- 49 government. The commission submitting a community
- 50 commonwealth form of government shall issue a final

- 1 report and proposal. If an alternative form of
- 2 government for a community commonwealth form of local
- 3 government is proposed, approval of the commonwealth
- 4 charter shall be a separate ballot issue from approval
- 5 of the alternative form of government in those cities
- 6 proposed to be included in the commonwealth. The
- 7 commonwealth charter shall be effective in regard to a
- 8 city government only if a majority of the voters of
- 9 the city voting on the question voted for
- 10 participation in the commonwealth charter. A city
- 11 named on the ballot shall be united with the county in
- 12 <u>a community commonwealth if a majority of the votes</u>
- 13 cast in the city on the proposal approves the
- 14 proposal. If one or more cities named on the ballot
- approves the proposal, the charter is adopted if both
- 16 a majority of the votes cast in the unincorporated
- 17 area of the county approves the proposal and a
- 18 majority of the votes cast in the entire county
- 19 approves the proposal.
- 20 The question of forming a community commonwealth
- 21 shall be submitted to the electorate in substantially
- 22 the same form manner as provided in section 331.247.
- 23 <u>subsection 4, and</u> section 331.252.
- 24 Sec. 20. Section 331.261, subsection 2, Code 2003,
- 25 is amended to read as follows:
- 26 2. An elective legislative body established in the
- 27 manner provided for county boards of supervisors under
- 28 sections 331.201 through 331.216 and section 331.238
- 29 331.248, subsection 2.
- 30 Sec. 21. Section 331.261, unnumbered paragraph 2,

- 31 Code 2003, is amended to read as follows:
- 32 The community commonwealth charter may include
- 33 other provisions which the commission elects to
- 34 include and which are not inconsistent irreconcilable
- 35 with state law, including, but not limited to, those
- 36 provisions in section 331.248, subsection 4.
- 37 Sec. 22. Section 331.262, Code 2003, is amended by
- 38 adding the following new subsections:
- 39 NEW SUBSECTION. 1A. The adoption of the community
- 40 commonwealth form of government does not alter any
- 41 right or liability of the county or member city in
- 42 effect at the time of the election at which the
- 43 charter was adopted.
- 44 NEW SUBSECTION. 1B. All departments and agencies
- 45 of the county and of each member city shall continue
- 46 to operate until their authority to operate is
- 47 superseded by action of the governing body.
- 48 NEW SUBSECTION. 1C. All ordinances or resolutions
- 49 in effect remain effective until amended or repealed,
- 50 unless they are irreconcilable with the adopted

- 1 charter
- 2 NEW SUBSECTION. 1D. Upon the effective date of
- 3 the adopted charter, the county shall adopt the
- 4 community commonwealth form of government by
- 5 ordinance, and shall file a copy with the secretary of
- 6 state and maintain available copies for public
- 7 inspection.
- 8 NEW SUBSECTION. 1E. Members of the governing body
- 9 of the county and of each member city shall continue
- 10 in office until the members of the governing body of
- 11 the community commonwealth form of government have
- 12 been elected and sworn into office, at which time the
- 13 offices of the former governing bodies shall be
- 14 abolished, and the terms of the members of the former
- 15 governing bodies shall be terminated. During the
- 16 period between the effective date of the charter and
- 17 the election and qualification of the elected members
- 18 of the new governing body, the former governing bodies
- 19 of each member city and of the county shall continue
- $\,20\,\,$  to perform their duties and shall assist in planning
- $21 \;\;$  the transition to the community commonwealth form of
- 22 government.
- 23 NEW SUBSECTION. 1F. If a community commonwealth
- 24 charter is submitted to the electorate but is not
- 25 adopted, another charter shall not be submitted to the
- 26 electorate for at least six years from the date of the
- 27 election at which the charter was rejected. If a
- 28 community commonwealth charter is adopted, a proposed
- 29 charter for another alternative form of county

- 30 government shall not be submitted to the electorate
- 31 for at least six years from the date of the election
- 32 at which the charter was adopted.
- 33 Sec. 23. NEW SECTION. 331.264 LOCAL GOVERNMENT
- 34 ORGANIZATION REVIEW COMMITTEE.
- 35 1. A local government organization review
- 36 committee may be created in a county. The committee
- 37 shall be composed of the following members:
- 38 a. Three city council members appointed by the
- 39 city council of each participating city with a
- 40 population of twenty-five thousand or more.
- 41 b. Three county supervisors appointed by the
- 42 county board of supervisors.
- 43 c. One city council member appointed by each
- 44 participating city with a population of less than
- 45 twenty-five thousand.
- d. One member shall be appointed by each state
- 47 legislator whose legislative district is located in
- 48 the county if a majority of the constituents of that
- 49 legislative district reside in the county. However,
- 50 if a county does not have a state representative's

- 1 legislative district which has a majority of a state
- 2 representative's constituency residing in the county,
- 3 the state representative having the largest plurality
- 4 of constituents residing in the county shall appoint a
- 5 member. The member appointed by each state legislator
- 6 shall be a person who is not holding elected office
- 7 and who is a resident of the legislative district of
- 8 the state legislator.
- 9 e. Three members appointed by the township
- 10 trustees of all the townships in the county and an
- 11 additional member appointed by the township trustees
- 12 for each five percent of the total population of the
- 13 county residing in the unincorporated area of the
- 14 county. The members shall be residents of the
- 15 unincorporated area of the county and shall be persons
- 16 who are not holding elected office other than that of
- 17 township trustee. The county auditor shall determine
- 18 the date and location for a meeting of the township
- 19 trustees of all the townships in the county at which
- $20 \;\; meeting the appointments shall be made and shall$
- 21 provide written notice of the meeting to the trustees.
- 22 The meeting shall be held in accordance with chapter
- 23 21.
- 24 Organization and expenses of the committee are
- 25 subject to section 331.234 as if the committee were a
- 26 city-county consolidation or community commonwealth
- 27 commission. Sections 69.16 and 69.16A shall not apply
- 28 to the committee. However, a city allowed more than

- 29 one appointment shall balance its appointments in
- 30 accordance with sections 69.16 and 69.16A, when
- 31 possible.
- 2. Members shall be appointed to the organization
- 33 review committee within thirty days after any of the
- 34 following occurs:
- a. The county board of supervisors and each city
- 36 council in the county adopt a joint resolution calling
- 37 for appointment of members to the committee and files
- the resolution with the county board of supervisors.
- b. The county board of supervisors in a county
- 40 adopts a resolution calling for appointment of members
- to the committee.
- 42 c. A petition signed by eligible electors of the
- 43 county equal in number to at least twenty-five percent
- of the votes cast in the county for the office of
- 45 president of the United States or governor at the
- 46 preceding general election or the signatures of at
- least ten thousand eligible electors of the county,
- 48 whichever number is fewer, is filed with the county
- board of supervisors.
- 3. Within seven months after the organization of

- 1 the organization review committee, the committee shall
- submit a preliminary report to the county board of
- supervisors with a recommendation as to what the
- committee believes to be the best proposal for an
- alternative form of government for the county. The
- 6 auditor's office shall make the report available to
- the public upon request. A summary of the report
- 8 shall be published in the official newspapers of the
- county and in a newspaper of general circulation in
- 10 each participating city.
- 11 4. If the committee report recommends a city-
- 12 county consolidation or community commonwealth, the
- committee shall continue its existence and be
- 14 designated, and operate with the powers and duties of,
- 15 a commission created pursuant to section 331.233A. If
- 16 the committee report recommends a multicounty
- consolidation, the committee shall continue its 17
- 18 existence and be designated, and operate with the
- 19 powers and duties of, a commission created pursuant to
- 20 section 331,233.
- 21 5. This section does not apply to a county in
- 22 which a charter commission has been established and is
- operating as of July 1, 2003. 23
- Sec. 24. Section 372.1, Code 2003, is amended by
- 25 adding the following new subsections:
- NEW SUBSECTION. 7. City-county consolidated form
- 27 as provided in sections 331.247 through 331.252.

- 28 NEW SUBSECTION. 8. Community commonwealth as
- 29 provided in sections 331.260 through 331.263.
- 30 Sec. 25. Section 372.2, unnumbered paragraph 1,
- 31 Code 2003, is amended to read as follows:
- 32 A <u>Unless otherwise provided by law, a</u> city may
- 33 adopt a different form of government not more often
- 34 than once in a six-year period. A different form,
- 35 other than a home rule charter, or special charter,
- 36 city-county consolidated form of government, or
- 37 <u>community commonwealth</u> must be adopted as follows:
- 38 Sec. 26. IMPLEMENTATION OF ACT. Section 25B.2,
- 39 subsection 3, shall not apply to this Act.
- 40 Sec. 27. EFFECTIVE AND APPLICABILITY DATES. This
- 41 Act, being deemed of immediate importance, takes
- 42 effect upon enactment and applies to charter
- 43 commissions in existence on the effective date of this
- 44 Act."

Roll call was requested by Mascher of Johnson and Raecker of Polk.

On the question "Shall amendment H-1193 be adopted?" (S.F. 390)

## The ayes were, 45:

Bell	Berry	Cohoon	Connors
Dandekar	Davitt	Fallon	Foege
Ford	Frevert	Gaskill	Greimann
Heddens	Hogg	Hunter	Huser
Jochum	Kuhn	Lensing	Lykam
Mascher	McCarthy	Mertz	Miller
Murphy	Myers	Oldson	Olson, D.
Osterhaus	Petersen	Quirk	Reasoner
Shoultz	Smith	Stevens	Struyk
Swaim	Taylor, D.	Taylor, T.	Thomas
Wendt	Whitaker	Whitead	Winckler
Wise			

# The nays were, 54:

Alons	Arnold	Baudler	Boal
Boddicker	Boggess	Carroll	Chambers
De Boef	Dennis	Dix	Dolecheck
Drake	Eichhorn	Elgin	Freeman
Gipp	Granzow	Greiner	Hahn
Hansen	Hanson	Heaton	Hoffman
Horbach	Huseman	Hutter	Jacobs
Jenkins	Jones	Klemme	Kramer
Kurtenbach	Lalk	Lukan	Maddox
Manternach	Olson, S.	Paulsen	Raecker
Rants, Spkr.	Rasmussen	Ravhons	Sands

Schickel Tjepkes Tymeson Upmeyer Van Engelenhoven Van Fossen, J.K. Van Fossen, J.R. Watts Wilderdyke Roberts,

Presiding

Absent or not voting, 1:

Bukta

Amendment H-1193 lost.

Hogg of Linn offered the following amendment <u>H-1165</u>, previously deferred, filed by him and moved its adoption:

## H-1165

- 1 Amend Senate File 390, as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 4, line 8, by inserting after the word
- 4 "charter," the following: "a statement of
- 5 alternatives considered including but not limited to
- 6 the potential for agreements under chapter 28E.".

Amendment H-1165 lost.

Hogg of Linn asked and received unanimous consent to withdraw amendment  $\underline{\text{H-}1169}$ , previously deferred, filed by him on March 26, 2003.

Hogg of Linn asked and received unanimous consent to withdraw amendments  $\underline{\text{H-}1166}$  and  $\underline{\text{H-}1167}$ , previously deferred, filed by him on March 25, 2003.

Hogg of Linn asked and received unanimous consent to withdraw amendment  $\underline{\text{H-}1168}$ , previously deferred and filed by him on March 26, 2003.

Speaker Rants in the chair at 9:11 p.m.

Elgin of Linn moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

# On the question "Shall the bill pass?" (S.F. 390)

The ayes were, 52:

Alons	6	Baudler	Boal	Boddicker
Bogg	ess	Carroll	Chambers	De Boef
Denr	nis	Dix	Dolecheck	Drake
Eichl	horn	Elgin	Foege	Freeman
Gipp		Greiner	Hahn	Hansen
Hans	son	Heaton	Hoffman	Horbach
Huse	eman	Hutter	Jacobs	Jenkins
Jone	s	Klemme	Kramer	Kurtenbach
Lalk		Lukan	Maddox	Manternach
Olso	n, S.	Raecker	Rasmussen	Rayhons
Robe	rts	Sands	Schickel	Tjepkes
Tyme	eson	Upmeyer	Van Engelenhoven	Van Fossen, J.K.
Van	Fossen, J.R.	Watts	Wilderdyke	Mr. Speaker
				Rants

The nays were, 47:

Arnold	Bell	Berry	Cohoon
Connors	Dandekar	Davitt	Fallon
Ford	Frevert	Gaskill	Granzow
Greimann	Heddens	Hogg	Hunter
Huser	Jochum	Kuhn	Lensing
Lykam	Mascher	McCarthy	Mertz
Miller	Murphy	Myers	Oldson
Olson, D.	Osterhaus	Paulsen	Petersen
Quirk	Reasoner	Shoultz	Smith
Stevens	Struyk	Swaim	Taylor, D.
Taylor, T.	Thomas	Wendt	Whitaker
Whitead	Winckler	Wise	

Absent or not voting, 1:

Bukta

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

# **HOUSE FILE 646 WITHDRAWN**

Elgin of Linn asked and received unanimous consent to withdraw <u>House File 646</u> from further consideration by the House.

# **HOUSE FILE 700 WITHDRAWN**

Dix of Butler asked and received unanimous consent to withdraw <a href="House File 700">House File 700</a> from further consideration by the House.

# **IMMEDIATE MESSAGE**

Gipp of Winneshiek asked and received unanimous consent that **Senate File 390** be immediately messaged to the Senate.

<u>House File 517</u>, a bill for an act relating to fishing by establishing fees, allocating fishing license revenue to fish habitat development, modifying trout fishing requirements, and providing effective and applicability dates, was taken up for consideration.

Freeman of Buena Vista offered the following amendment  $\underline{H-1350}$  filed by her and moved its adoption:

#### H-1350

Amend House File 517 as follows:

1. Page 1, line 4, by striking the figure "15.50"

and inserting the following: "17.00".

2. Page 1, line 8, by striking the figure "5.00"

and inserting the following: "7.50".

3. Page 1, line 16, by striking the figure

"14.00" and inserting the following: "15.50".

4. Page 2, by striking lines 2 through 6, and inserting the following: "commission. The commission may grant a permit to a community event in which trout will be stocked in water which is not designated trout water and a person may catch and possess trout during the period and from the water covered by the permit

Amendment H-1350 was adopted.

14 without having paid the trout fishing fee."

# **SENATE FILE 348 SUBSTITUTED FOR HOUSE FILE 517**

Freeman of Buena Vista asked and received unanimous consent to substitute Senate File 348 for House File 517.

<u>Senate File 348</u>, a bill for an act relating to fishing by establishing fees, allocating fishing license revenue to fish habitat development, modifying trout fishing fee requirements, and providing effective and applicability dates, was taken up for consideration.

Freeman of Buena Vista moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

# On the question "Shall the bill pass?" (S.F. 348)

The ayes were, 62:

Alons	Baudler	Bell	Berry
Boal	Boggess	Chambers	Connors
Davitt	De Boef	Dennis	Dolecheck
Drake	Elgin	Fallon	Foege
Freeman	Frevert	Gaskill	Gipp
Granzow	Greimann	Hansen	Hanson
Heddens	Hoffman	Hogg	Horbach
Hunter	Huseman	Jacobs	Jenkins
Jochum	Jones	Kuhn	Lensing
Lykam	Maddox	Mascher	Mertz
Miller	Myers	Olson, D.	Olson, S.
Osterhaus	Roberts	Shoultz	Smith
Stevens	Taylor, D.	Taylor, T.	Tjepkes
Tymeson	Upmeyer	Van Fossen, J.R.	Watts
Wendt	Whitaker	Whitead	Wilderdyke
Winckler	Mr. Speaker		•
	Rants		

The nays were, 37:

Arnold	Boddicker	Carroll	Cohoon
Dandekar	Dix	Eichhorn	Ford
Greiner	Hahn	Heaton	Huser
Hutter	Klemme	Kramer	Kurtenbach
Lalk	Lukan	Manternach	McCarthy
Murphy	Oldson	Paulsen	Petersen
Quirk	Raecker	Rasmussen	Rayhons
Reasoner	Sands	Schickel	Struyk
Swaim	Thomas	Van Engelenhoven	Van Fossen, J.K.
Wise			

Absent or not voting, 1:

Bukta

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

# IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate File 348** be immediately messaged to the Senate.

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# **ADOPTION OF SENATE CONCURRENT RESOLUTION 20**

Manternach of Jones asked and received unanimous consent for the immediate consideration of **Senate Concurrent Resolution 20**, a concurrent resolution recognizing Richard and Joyce Lynch, the first recipients of the Good Neighbor Award presented by the Department of Agriculture and Land Stewardship, and moved its adoption.

The motion prevailed and the resolution was adopted.

#### **IMMEDIATE MESSAGE**

Gipp of Winneshiek asked and received unanimous consent that **Senate Concurrent Resolution 20** be immediately messaged to the Senate.

### REMARKS BY THE MAJORITY LEADER

### Majority Leader Chuck Gipp offered the following remarks:

Gayle Goble came to me this week asking if I had my speech written. Normally this is written and inserted by the people in the journal room who record this and it is published in the House Journal. My promise to Gayle at that time was simply this, "Gayle I haven't written a speech yet because I don't know how this session is going to end." How can I write speech on Monday when we have four major issues still hanging out there for the House to accomplish? The four major issues that we started with in this session.

I have talked to a number of people outside this lobby, former majority leaders and speakers and people that have been here in the past. And all of them said, "I've never been associated or seen a legislative session that was so difficult, with so many big issues to accomplish, and with all the right people here to do them." It is an amazing thing that we see in this House chamber year after year and this is my thirteenth year here. But you know what was unique about this session? The people of Iowa elected a governor, they elected a Democrat. The same people in Iowa elected the Republicans to control both the House and the Senate. But the common denominator about that election is the people that were elected were determined that what we needed to do was to work together to get something done, and something different done because Iowa is stagnant and Iowa wasn't growing. With a slow growth state we needed to do something different. So it was called bold or it was called good a few times this session and even last night, bold, good. We needed to do something different. We needed something different so that Iowa wouldn't continue to be an older and older state with kids like Allison and Barret Gipp, now living in Minnesota, continuing to leave this state, leaving Iowa with an older and older population. With a population base that was going to have to be asked to pay more taxes rather than increasing the tax base that just pays taxes to provide for the services.

This legislative session we addressed those issues which we hope, and I know, if adopted later on, will help turn this state around. There is a lot of people to thank about the accomplishments this session. About the property tax, about the income tax, about the values fund and about regulatory reform, which I know, and many of you do as well, is going to be the difference in changing this state to make sure that we are a growth friendly state so our young people can be citizens of Iowa the remainder of their lives. I think we have accomplished that. Unfortunately, tonight's sine die, tonight's going away isn't going to be that long, and we don't know how the rest of this story is going to end. But what I do know, is that I have a deep appreciation for everybody here and the part that you played in doing what I know needed to be done. The House did its work. At 109 days, we didn't leave early, we finished our work and I am proud of everybody here for that.

There are a number of people to thank, and it is everybody in this room, from the Pages to the staff, to the people in the well. Especially to my caucus staff, who does an excellent job and to the Democratic caucus staff who do such a great job serving your staff and your members of the House. I truly appreciate the cooperation that you give us and that our staff gives you. Jeff does a great job of selecting our caucus staff members and having them work in a coordinated effort to help make us look good. In my own office, I'm the luckiest guy that there is, because I had the wisdom to keep somebody in my office that has been in this place for a long, long time and that is Susan Severino. If I was able to accomplish anything this year it was because of the cordiality of my secretary, Sarah and the knowledge and the know-all of Susan Severino, who really runs this place. This is the last time that we are going to see the name of Susan Severino mentioned in the House Journal because Susan Severino is going to be back, but it won't be Susan Severino, because later on she is going to get married, and she is going to be Susan Fenton. I am looking forward to that day and I know Susan is as well. Susan I wish you and Scott well on your new marriage.

Minority Leader Myers, you do a great job. You do a great, great job and I think that my job was made so much easier by how you made it easier. You could have been tough on me. I have been here thirteen years, but at the same time, I didn't know all the rules and the ropes. It's one thing being a legislator, it's quite another being the majority leader, but you have made my job a lot easier and I thank you for that, I appreciate it and I wish you well.

To my leadership team, Libby, Danny, Gene, Rod, Carmen and Ralph, it's the best group that I have ever been associated with in my thirteen years here and I have served in leadership for eleven of those years. Your a great group and your a great part of the success of our caucus, the direction that we took and the accomplishments we have made. Our caucus has been great. And all the new members, all you guys.... (Libby, you've got to do a better job of keeping these guys in line), they bring energy to this place. And the House Democrat and Republican new members, you are great people. You are great people and you do a great job and I appreciate all of your efforts. And the veteran members, I look over there at Jim Hahn. Jim Hahn and I came to this place together in 1990 in a group of eighteen, and we are the last one's remaining. I appreciate Jim Hahn for sticking with me all these years in this place.

Now, I'm not leaving, I'm coming back, and a number of you probably wish I wouldn't, but I'm coming back. I appreciate the help from my leadership team. That leaves one other person left to thank. That is the Speaker of the House, Speaker Christopher Rants. Mr. Speaker, you've grown comfortable with your position. You

and I have roomed together for ten years and we have commiserated over bowls of chili and all the other things that nobody needs to know about, but Mr. Speaker, you truly deserve the honor of being Mr. Speaker. There are a lot of famous guys in that back hallway there with their pictures up on the wall and it is a privilege to know that you will someday join that group back there as well. You do an excellent job. We all should be grateful for your participation. Thank you Mr. Speaker.

And now it is time to go home and unfortunately, we are going to be back in a short time, but the House is going to complete its work. We've done a great job, I appreciate the efforts of all of you. Go back and meet your families and get reacquainted with your kids and your wives and your husbands and your friends and enjoy yourself for a few days knowing full well that there is a lot more work to be done. We have a good start with the things that we have done this year, but there is more work to be done. I will be glad to be here to help you do that. Thank you Mr. Speaker.

#### REMARKS BY THE MINORITY LEADER

### Minority Leader Dick Myers offered the following remarks:

Mr. Speaker, ladies and gentlemen of the House. You know the end of these sessions are always remarkable, regardless of how you fight and sometimes don't get along as best you should, but we really feel good about coming to the end of it. Not because it is just the end, but because we really think we have a sense of accomplishment about things. I think this session is remarkable because of the degree of that accomplishment. We came in here after a pretty tough campaign and maybe even some tough sessions before that, with a lot of new folks. My good friend Representative Gipp said it is time to govern the campaign is over. Boy, I like that. That set the tone for me. And I think the tone that was set by the leadership on the Republican side coming into this place, helped me as the Minority Leader to work with them to try to find some solutions for our state. I can sometimes hardly believe that I am here and I am not quite sure what I'm going to say tonight, but I am going to try to get through this.

First of all I want start out by thanking the people who allowed me to be their leader, the members of the Democratic caucus. It truly was humbling for me to be the leader of this caucus for this last session. As you know, I am going to be leaving and the irony is that I have spent two years learning the job and now I am going to leave. I kind of wondered about that. I used to get teased a lot when I first came in here. Some of you new members don't know, but the first day that I was in the legislature the Minority Leader at that time, Robert Arnold, handed me a piece of paper, told me that my reputation had preceded me. On that piece of paper was a list of seven words that I couldn't say. And I will tell you that the majority leader and the Speaker of the House have spent the last ten sessions trying to get me to say one of those words. They aren't going to make it. They also gave me a list of words I could say, like golly, and gee whiz and shucks. I learned a lot up here. I really want to thank my Democratic caucus. I want to, also, make special remarks about the newer people that came in here on my side of the aisle and the Republican side of the aisle. I have never seen such a talented group of people that came in here willing to work together and didn't have any of the old, you know, sort of crosses to bear. They came in here, they wanted to listen to one another. They didn't care who was a Republican or a Democrat necessarily, they cared about representing their communities.

When the freshmen came in here I told them they had two things to do. One, you had to represent your district and the second is that you had to think. Boy we need people to think in this place and not just act like a bunch of robots. That is really important.

I also want to thank my staff; Mark Bransgaard and Carolyn. I can't tell you how much they helped me by trying to get me through the day and believe me, if I sound like I know what I am talking about once in a while, it is because they wrote the stuff.

And I appreciate the work of the Republican staff. You have always been very kind and courteous to me and the members of my caucus. I can't say enough about that, but I have to say folks, I believe I have the best Democratic caucus staff in the building and I am biased about that. I really appreciated working with Polly Lipsman and Tom and Ed and Joe, Mary and Jennifer and Anna, Dean and Dave and my Page, Claire, who was a great help to us. They helped all the members. And I think that they also helped a lot of the people on the other side of the aisle too. I hope they were always receptive to helping folks in the republican caucus, because I know that the Republican staff members helped us.

There is a new intelligence here now. There is a new life and a new energy here in the House of Representatives. We came in here with huge tasks. And you know what? It's easy to take on some of these subjects when times are kind of easy, you know, we got a lot of money. It is easy to be in politics when you got a lot of money. Especially if your a Democrat, I can tell you that. Of course I have seen the Republicans spend money lately in ways I can't believe, but nevertheless, I've always wondered about that a little bit, but, regardless.

The other thing that I talked about on opening day was I asked the new people to get to know their neighbors not just as people, not just as legislators. To get to know them and their needs and their districts and what they came down here to serve. And I think that has happened. I see Republicans and Democrats talking together time and time again on all kinds of things here and I think, well, you know, we had some fights. There will always be differences. I hope there are always differences. There should be differences. We should be proud of those differences. But, we have accomplished some good sized things. I kind of wish the folks across the ropes would have worked a little better with us. Maybe when you go to the Senate, and I don't want to be nasty here, about the Senate because when I was over there, my goodness, they gave me a standing ovation and I've made more fun of those guys than anybody else since I've been here. But I did appreciate it. It was an honor. I think that maybe the Senate will work with us here on some of the things that we have done. But when the governor announced that there should be an Iowa values fund in this state, that we had to change, that we had to risks, I know what that is about. As a person who has operated his own business and started a couple of others over the last forty years, I know what risks are all about. And I know they are important. But to really do this right for the people of the state of Iowa, there could not be just a House Republican plan, or a House Democratic plan. There had to be a House plan and then we could turn that into a General Assembly plan, a Iowa plan for the people of the state. And I think we have accomplished that in the House. I don't think it would have been done without the help of the people in the majority party to work with us in the minority party. The two of us getting together, those eight people, by the way, and I want to pay a special tribute to the eight people, I don't care whether you voted for that thing or not. There was a tremendous amount of hard work and I respect the people that voted

no as well as those that voted yes, because I know darn well you were thinking about it. I do believe that was a very defining moment in this state. Is it risk? Oh, you bet. In fact, I will tell you something, with that vote we cast the other night on the Iowa Values, that was the easy part. The hard work is coming to make that thing work. And it is not going to be easy. It will take an awful lot of work. It will take more than just Iowa, but that was a very important thing to do. Frankly, even though I didn't really care much for the bill I did respect the work that was done in rethinking the tax structures and trying to move us down a road on doing something different.

We passed a bill that didn't get much notice. Frankly, it was introduced by a Democrat and supported by Republicans on character education. We talked about it a lot over the years. I am a person that's always believed very strongly that kids ought to have a connection to their community. They ought to understand what their town is all about. They ought to understand what their country is about. They ought to understand what our economic system and our political system is about, and they need to start that early. Our education system should support that, encourage that, make it grow so that our children grow up really understanding just what a great place they live in here in the great state of Iowa.

I regret that we didn't do a couple of things that I really wish you would think about in the next term. We need to do a better job with prescription drugs. We need to pass a mental health parody bill. We need to do something about people who are mentally ill. We have the capacity to do that. We have the greatest expertise for solving problems like this of any state in the country. Folks, the people at the bottom of the wage scale need a raise. Those people take care of our children and they take care of older people. And yes, the government can be a force to raise their economic strata and it should be. It's time people at the bottom of the ladder got a raise. We didn't get that done this time, but I think there is the heart in this place, the wish in this place, the soul in this place to say that people at the bottom of the ladder need a raise. I hope we get that done. Those are things that I wish we could have had a chance to, but maybe next year.

You know the funny thing, I announced this morning that I, as you know, that I wasn't going to run again. I noticed a couple things right off the bat. When you announce that your going to retire from politics people start talking about you like your dead. They talk about you in the past tense, he was, he left, he's gone. Well, I'm not gone. I haven't died. Also, I noticed that the lobby treats you differently. They no longer say 'sir' when they talk to you. I don't know for sure what the future brings for me. I don't want to get any Republicans nervous here, I always like to look at Representative Carroll when I say something like this, but maybe one of these days I'll be riding around Poweshiek County with a real estate agent.... No, I doubt if I will do that again.

I think most of you know that I've spent, spread over five decades, about thirty-four years in public office since 1969. I have been very lucky, very fortunate. I seemed to do that for a number of reasons, not the least of which is an awful lot of luck, but I can't say enough about the people who sent me here. It is indeed humbling to think that someone trusts you enough to do the things that we do here on their behalf. Even when I was in county government or city government, you know that has always amazed me. And, there was a time in my life when I didn't think that generated much respect and yet that has happened to me. For that, I am enormously grateful.

And finally, one of the reason why I am leaving is I want to spend more time with my family, with my wife. The first day that I was here, my wife has always given me very sound instructions, I didn't always pay attention to them but, she said, "Richard", I was sitting right over there where Representative Reasoner sits, "Richard, now your starting here today and I know you, keep your mouth shut for five days." I'm sorry, I didn't last five minutes. And some of you remember that. It's very difficult to talk about the things that you really thought were important. People always ask me what is the most important thing you have done in politics? I never can answer that. Because I didn't do it, we did it. It takes 51 people to adjourn this place, no one does it by themselves. And I hope they will always remember that. That is the real key to working together. But I am a very humbled, grateful person. I can't think of how lucky I am. I served in the military for eight years of active duty and I was always grateful to come back to Iowa. What a great place to be from. Proud to say that I am from Iowa. From Iowa City, Iowa, great place, a place to raise our kids. And we have the capacity here to make it better. I think we did it this time, but I think we have work to do. Maybe I'll go home and write a book. I won't publish it for about twentyfive years, but I might write a book.

Mr. Speaker, I really appreciate working with you. You know we didn't come in here dancing goody two shoes around the floor. I think we came in here at swords point on many things. You got here about a year ahead of me and I think that we work together pretty well, I like that. Both as Majority Leader and when you assumed the Speakers chair. I want you to know I appreciate your work. Mr. Gipp, we have been friends for a long time and we will remain so. I have enjoyed coming to work every morning to find out what we were going to do that day and how we were going to get it done. I don't want to start mentioning a lot of names, but I want you to remember the first day that I walked in this door, a man by the name of Hubert Houser was the former county supervisor, a conservative cattle farmer from western Iowa, walked up to me and he said I hear that your interested in working on mental health. He said I'm going to have a little informal meeting, you want to work with it? So, we did. We started working on that and out of that came something called Senate File 69 and a way to fund mental health bill that maybe will be done yet, we need to finish that. But the guy that took his place is Danny Carroll. I think that Mr. Carroll and I have some opinions about things that are different from one another's once in a while. We got some things done here, I think. You know why? I trust Mr. Carroll. That's important in this place, we need to trust one another. We need to earn that trust, and we need to continue it.

So, thanks a lot. I'm going to go, goodbye, thank you.

### REMARKS BY SPEAKER RANTS

# **Speaker Rants offered the following remarks:**

For the last three years, Representative Myers and I have had a lot of opportunities to go to a lot of functions and speak together. I always hate going after Dick Myers. No more true than tonight. You will be missed Dick, and missed a lot.

I want to start tonight by saying that I am working on three and a half hours of sleep and we will see if I can make it through this.

I want to start tonight by saying how proud I am of this Iowa House. In my eleven years, I've never seen a more congenial, bi-partisan or non-partisan, more orderly session and all of us should be proud of the way we did our job this year.

When we started this session, many said that with forty new members, that was going to be our greatest weakness. It was our greatest strength this year. You know, the last four months we have focused on four items; property and income tax reform, regulatory reform and an economic stimulus package. In any other year the accomplishment of one of those items would have been heralded as the hallmark of a legislative session. We did all four. This House had a monumental year.

We resolved a lot of old carry-over issues -.08 alcohol limit, gambling and taxes, (at least  $\underline{we}$  got the gambling taxes part done). When we started the session we, we Republican's at least, held ourselves to three basic tests for the year. Does it create wealth, remember that? Opening day? Well, we have focused on the big four here recently. We shouldn't forget our efforts to become more energy independent as a state. I think that's on creating wealth. We did wind energy and a co-generation bill. We passed a broad band initiative to deliver high speed access to all of Iowa. I think that's about helping to create a state that fosters the creation of wealth. We did an NGIP junior program and we worked to focus on commercializing our research and development efforts at our research universities. And I know that's about creating wealth.

The second test we challenged ourselves with was, does it improve student performance? The first thing we had to do was to make sure we did no harm. Coming in with a tight budget year, I know this is certainly true in our area, the people were concerned about was the kind of cuts that were going to befall education. We protected our priorities. We protected allowable growth. We protected our teacher comp program. We protected our K-3 reading program. We said those were priorities and we took care of them. Perhaps more importantly we finally ended the dispute between rural and urban school districts over school infrastructure. Dan Boddickers' worst vote he ever cast was following me down that path once upon a time. You owe Representative Tymeson a thank you Representative Boddicker, for getting you out of that vote.

Our third test was to put Iowa on sound financial footing. We came in, we started with a four hundred million dollar projected shortfall. This chamber made the tough decisions on things like Medicaid reform. When we walk out of here tonight, we walk out with a balanced budget and one that complies with our 99 per cent expenditure limitation allowed. Our appropriations chair did it with a smile. Congratulations Representative Dix.

But, none of us did it alone. We are blessed with great people who work with us. The folks in the well, the folks in all of the back rooms, the Chief Clerks Office, the people crunching numbers, the people drafting amendments, the people proofing the journal. They all continue to work when we walk out of here. Whether it's at 5:00 in the afternoon or 11:00 at night. And we owe all of them a debt of thanks.

I have to say a special thanks to the Republican Caucus staff. In eleven years, I've never had a better group of people to work with. I want to thank all you guys. To Tim, Becky, Cynthia and especially Allison, whose job it was to kick me in the shins this week if I was scowling and not smiling, you are the best team I could ever ask for. Now

we will see if I can keep you here with me for another year. To my fellow Republican leaders; Gene, Rod, Libby, Carmen, thank you for helping to carry the burden. Danny and Ralph, thank you for being there when I needed you. To my former roommate of nine years, and it was nine years Chuck, I know...I always knew it would be like this by the way. You know, polka dot ties were never really my style, might be yours, got it if you need it.

You know in every session, there is a turning point for each member. Something that turns your session around. For all of you it's different. I can imagine what it was for Representative Kurtenbach, probably when he came in and found Gipp and I and we told him, he was crazy... to go away, and he didn't anyway. That might have been his turning point. I want to tell you about mine. My turning point was relatively early on, I am new in the job and I think I know what I'm doing, not really sure though, with a lot at stake. Chuck and I are sitting around in my office one night, it was probably about 7:00, still dark out and everybody is gone. In walks a guy by the name of Jan Schuiteman. He wanted to talk to us about crazy ideas. Got these genetically altered cows, growing something called human serum albumen in the cows milk that you can use for medical purposes. Replacing the cows antibody system with human antibody system... why is that important? Because you can create vaccines. They are doing that with a cow. That was a turning point for me in this session. Because that opened my eyes about the potential that we have in this state. I am not an Ag guy, I'm a city kid. I actually got to go up and pet those cows. It's like a poem... "I petted a cow." But to me, that crystallized the possibilities that we have in Iowa. You know we are a state that's dependent upon low price commodities. We try to add value to them and we are doing a good job. We are running them through livestock. But here is a whole new kind of potential, real value added agriculture. Bio-technology, something I read about. I figured bio-tech was something they could do at UC Berkley or MIT. We can do that here in Iowa. That should be our future. And that became clear to me that night in those discussions and in the weeks that followed. Iowa has hope. We have reason to give our children in this state hope for their future. It is going to take some risks, and we took some of that risk last night, but we don't have to be satisfied in this state with having more deaths than births in some of our counties or continuing to export our best product, which is our children. We can give our young people some hope. We can change the future of this state. We can chart a better course. We can do business differently. It's about taking risks and we haven't been afraid to do that. It took a lot of work Representative Hoffman, thank you for sticking with me all session long, keeping me from sliding off when I was getting a little concerned. But that was a turning point for me this session. And I think, I hope, because of the actions we took last night, and I got dedicated to those actions, because of what I saw occurring at a place called Trans Ova, in place called Hull, Iowa. I think that can be a turning point for this state because of the actions that we took, this chamber took. I hope you had an equally good turning point this session.

You know my favorite Roosevelt once said, "It is through labor and painful effort by grim energy and resolute courage that we move into better things." Ladies and gentlemen of the House, with that as our standard we had a "bully" of a year. Thank you for the opportunity to be your Speaker. God bless and have a good summer.

**ADOPTION OF SENATE CONCURRENT RESOLUTION 21** 

Gipp of Winneshiek asked and received unanimous consent for

the immediate consideration of <u>Senate Concurrent Resolution 21</u>, a senate concurrent resolution to provide for adjournment sine die, and moved its adoption.

The motion prevailed and the resolution was adopted.

### IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that **Senate Concurrent Resolution 21** be immediately messaged to the Senate.

### **EXPLANATIONS OF VOTE**

I was necessarily absent from the House chamber on May 1, 2003. Had I been present, I would have voted "aye" on <u>House File 543</u>.

**ALONS of Sioux** 

I was necessarily absent from the House chamber on May 1, 2003. Had I been present, I would have voted "aye" on House Files 543, 549, 595, 685 and Senate File 459.

**MANTERNACH of Jones** 

### BILLS ENROLLED, SIGNED AND SENT TO GOVERNOR

The Chief Clerk of the House submitted the following report:

Mr. Speaker: The Chief Clerk of the House respectfully report that the following bills have been examined and found correctly enrolled, signed by the Speaker of the House and the President of the Senate, and presented to the Governor for his approval on this  $1^{st}$  day of May, 2003: House Files 206, 225, 304, 329, 386, 391, 394, 455, 457, 492, 558, 560, 565, 576, 577, 583, 584, 594, 599, 624, 644, 681 and 682.

MARGARET A. THOMSON Chief Clerk of the House

Report adopted.

#### BILL SIGNED BY THE GOVERNOR

A communication was received from the Governor announcing that on April 30, 2003, he approved and transmitted to the Secretary of State the following bill:

<u>House File 628</u>, an Act relating to physician assistant licensure, and providing an effective date.

Also: the Governor announced that on May 1, 2003, he approved and transmitted to the Secretary of State the following bills:

<u>House File 319</u>, an Act permitting written demand via regular mail prior to an action under the Uniform Commercial Code for recovery of civil damages for a dishonored check, draft, or order, when supported by an affidavit of service.

House File 387, an Act relating to mental health and developmental disabilities by expanding an exemption to health care licensing requirements for certain residential programs that receive funding under a medical assistance home and community-based services waiver and approval from the Department of Human Services, and revising membership requirements for the Mental Health and Developmental Disabilities Commission, and providing an effective date.

 $\underline{\text{House File 454}}$ , an Act relating to mandatory universal newborn and infant hearing screening.

House File 541, an Act relating to the fee and use of fee for a certificate of birth.

<u>House File 600</u>, an Act regulating organic agricultural products, providing for fees and penalties, and providing an effective date.

<u>House File 656</u>, an Act relating to fees charged for special fire fighter motor vehicle registration plates.

<u>Senate File 102</u>, an Act relating to the Chief Executive Officer of the Iowa Public Employees' Retirement System and providing an effective and retroactive applicability date.

<u>Senate File 366</u>, an Act relating to the Iowa Probate Code, including provisions relating to state inheritance, gift taxes, and trusts and including an applicability date provision.

<u>Senate File 372</u>, an Act relating to the licensing of persons providing money transmission and currency exchange services, providing penalties, and providing an effective date.

<u>Senate File 375</u>, an Act relating to enforcement enhancements relative to certain tobacco product manufacturers, providing appropriations and penalties, and providing effective dates.

<u>Senate File 416</u>, an Act relating to dependent adult abuse including elder abuse emergency shelter and support services projects.

<u>Senate File 438</u>, an Act relating to the establishment of the office of Grants Enterprise Management in the Department of Management to assist the state in receiving more nonstate funds and providing a standing limited appropriation.

# CERTIFICATES OF RECOGNITION

MR. SPEAKER: The Chief Clerk of the House respectfully reports that certificates of recognition have been issued as follows.

# MARGARET A. THOMSON Chief Clerk of the House

0000\ 4004	
2003\1394	Dale Barber, Bettendorf – For her 25 years of dedicated service as the Superintendent at Pleasant Valley Community Schools.
2003\1395	Winga's Restaurant, Riverdale – For serving the citizens for Washington County for 75 years.
2003\1396	Don and Joyce Zubrod, Manning – For celebrating their $50^{\rm th}$ wedding anniversary.
2003\1397	Mr. and Mrs. Stewart, Ottumwa – For celebrating their $56^{\rm th}$ wedding anniversary.
2003\1398	Mac Thummel, Clarinda – For being selected as a Southwest Regional Finalist for the Des Moines Register Academic All-State Team.
2003\1399	Richard and Joyce Lynch, Cascade – For being the first recipients of the Good Nighbor Award presented by the Department of Agriculture and Land Stewardship.
2003\1400	Ryan Francis Forret, Calamus – For receiving his Iowa FFA degree.
2003\1401	Clare and Ruth Hodson, DeWitt – For celebrating their $50^{\rm th}$ wedding anniversary.
2003\1402	Mauree Gibson, Central Lee High School – For being selected by the Water Pollution Control Association as the senior division winner of its Environment Excellence Award.
2003\1403	Ski Schroeder, Mt. Pleasant – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
2003\1404	Christopher Mallams, Mt. Pleasant – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
2003\1405	Nick Creager, Mt. Pleasant – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
2003\1406	$\label{thm:coney} \textbf{Todd A. Cooney, Muscatine} - \textbf{For attaining the rank of Eagle Scout}, \\ \textbf{the highest rank in the Boy Scouts of America}.$

### **RESOLUTIONS FILED**

**HCR 23**, by Rants and Myers, a house concurrent resolution to provide for adjournment sine die.

Laid over under Rule 25.

**HR 62**, by Alons, De Boef, Boddicker, Roberts, Chambers, Lalk, Boal, Lukan, Kramer, Kurtenbach and Mertz, a resolution to recognize that human life exists at the point of conception.

Laid over under Rule 25.

**HR 63**, by Gipp, Myers, Hoffman, Alons and Thomas, a resolution requesting the Department of Economic Development and the department's director to continue efforts to foster and grow the animal life science product industry in Iowa.

Laid over under Rule 25.

SCR 17, by Sievers, Behn, Kettering, Putney, Angelo, Hosch, Larson, Boettger, Seymour, Schuerer, Iverson, McKibben, Stewart, Beall, Bolkcom, Quirmbach, Seng, Dvorsky, Horn, Warnstadt, Black and Courtney, a concurrent resolution supporting the widening, improvement, and enhancement of U.S. Highway 30 across central Iowa and requesting federal assistance.

Laid over under Rule 25.

<u>SCR 19</u>, by Dotzler, Rehberg, Hosch, Seymour, McKinley, Warnstadt, Dvorsky, McKibben, Gaskill, Courtney, Stewart and Beall, a concurrent resolution relating to federal funding for fire and emergency services and homeland security costs.

Laid over under Rule 25.

#### AMENDMENT FILED

H-1585 S.F. 448 Horbach of Tama

The House stood at ease at 10:12 p.m., until the fall of the gavel.

The House resumed session at 3:33 p.m., Speaker Rants in the chair.

#### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on May 1, 2003, passed the following bill in which the concurrence of the Senate was asked:

<u>House File 662</u>, a bill for an act relating to the funding of, the operation of, and appropriation of moneys to the college student aid commission, the department for the blind, the department of cultural affairs, the department of education, and the state board of regents and including an effective date and retroactive applicability date provision.

Also: That the Senate has on May 1, 2003, passed the following bill in which the concurrence of the Senate was asked:

House File 667, a bill for an act relating to and making appropriations for health and human services to the department of elder affairs, the Iowa department of public health, the department of inspections and appeals, the department of human services, and the commission of veterans affairs, and providing effective dates.

Also: That the Senate has on May 1, 2003, concurred in the House amendment and passed the following bill in which the concurrence of the Senate was asked:

<u>Senate File 433</u>, a bill for an act relating to and making appropriations to the department of economic development, certain board of regents institutions, department of workforce development, and the public employment relations board and related matters.

Also: That the Senate has on May 1, 2003, concurred in the House amendment and passed the following bill in which the concurrence of the Senate was asked:

<u>Senate File 439</u>, a bill for an act relating to and making appropriations to the justice system and providing an effective date.

MICHAEL E. MARCHALL, Secretary

# FINAL DISPOSITION OF MOTIONS TO RECONSIDER

Pursuant to House Rule 73.7, the following motions to reconsider which remained on the House Calendar upon adjournment of 2003 Regular Session of the Eightieth General Assembly will be considered to have failed:

By Greiner of Washington, Huser of Polk and Arnold of Lucas to House File 490, a bill for an act relating to the right of condemnation of owners of certain land and including effective and applicability date provisions, filed on March 20, 2003. (Bill passed the House on March 20, 2003)

By Gipp of Winneshiek to <u>Senate File 425</u>, a bill for an act relating to and making appropriations involving state government, including provisions affecting agriculture and natural resources, filed on April 7, 2003. (Bill passed the House on April 7, 2003)

By Gipp of Winneshiek to <u>Senate File 435</u>, a bill for an act relating to and making appropriations to the judicial branch, filed on April 22, 2003. (Bill passed the House on April 22, 2003)

### HOUSE AND SENATE FILES REREFERRED TO COMMITTEES

Under to provisions of House Rule 45, the following House Files and Senate Files were rereferred to the committees listed:

<b>House Joint Resolution 12</b>	Ways and Means
House File 96	Ways and Means
House File 169	State Government
House File 211	State Government
House File 572	Environmental Protection
House File 607	Judiciary
House File 660	Government Oversight
House File 666	Ways and Means
House File 690	Ways and Means
Senate File 73	<b>Economic Growth</b>
Senate File 185	Public Safety
Senate File 203	Environmental Protection
Senate File 313	Commerce, Regulation &
	Labor
Senate File 384	Ways and Means
Senate File 440	Appropriations
Senate File 448	Public Safety

<u>Senate File 449</u>, previously passed on file was referred to the committee on commerce, regulation and labor.

# REPORT OF CHIEF CLERK OF THE HOUSE

MR. SPEAKER: Pursuant to House Rule 42, I report that in enrolling bills the following corrections were made:

### **House File 549**

- 1. Page 26, line 16 Change spelling of teachers's to teacher's.
- 2. Page 37, line 4 Underscore period after the c.
- 3. Page 42, line 4 Need a comma after the word importance.

#### **House File 654**

1. Page 1, line 8 - Take out the "1.".

#### **House File 667**

- 1. Page 16, line 6 Post marital should be one word.
- 2. Page 55, line 24 Change impatient to inpatient.

#### **House File 685**

- 1. Page 4, line 18 Move the amount \$75,000 one space to the right.
- 2. Page 6, line 21 Need a comma after the word subsection.

MARGARET A. THOMSON Chief Clerk of the House

### BILLS ENROLLED, SIGNED AND SENT TO GOVERNOR

The Chief Clerk of the House submitted the following report:

Mr. Speaker: The Chief Clerk of the House respectfully reports that the following bills have been examined and found correctly enrolled, signed by the Speaker of the House and the President of the Senate, and presented to the Governor for his approval on this 1st day of May, 2003: House Files 450, 534, 543, 549, 595, 654, 655, 662, 665, 667, 671, 672, 674, 675, 676, 677, 680, 685, 689, and 694.

MARGARET A. THOMSON Chief Clerk of the House

Report adopted.

# BILLS SIGNED BY THE GOVERNOR

A communication was received from the Governor announcing that on May 2, 2003, he approved and transmitted to the Secretary of State the following bills:

<u>House File 171</u>, an Act relating to nonsubstantive code corrections and including effective and retroactive applicability date provisions.

<u>House File 404</u>, an Act authorizing a sentencing court to issue no-contact orders against persons arrested for any public offense.

<u>House File 516</u>, an Act relating to composition and responsibilities of the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board.

House File 529, an Act directing the Mental Health and Developmental Disabilities Commission to make recommendations for redesigning the Mental Health and Developmental Disabilities Services System for adults and providing an effective date.

<u>House File 619</u>, an Act relating to health care including reimbursement of health care facilities based on resident program eligibility and providing effective dates and a contingent effective date.

<u>House File 650</u>, an Act relating to the assessment of a correctional fee by a county or municipality, and to the prosecution of certain criminal offenses committed in a municipality located in two or more counties.

Senate File 275, an Act relating to the taxation of utilities, including establishment of a natural gas delivery tax rate for new electric power generating plants, establishment of a replacement transmission tax for certain municipal utilities, methods of allocation of replacement generation tax incurred by certain new standalone electric power generating plants, a formula for determining taxable value for property generating replacement tax annually, extending the task force, and providing for applicability.

<u>Senate File 353</u>, an Act requiring establishment of county child protection assistance teams.

Also: the Governor announced that on May 9, 2003, he approved and transmitted to the Secretary of State the following bills:

<u>House File 457</u>, an Act expanding the requirements for the transition of an individual from the child welfare services system to adulthood.

<u>House File 560</u>, an Act relating to medical assistance home and community-based services waivers.

<u>House File 599</u>, an Act relating to property insurance, including establishment of a mandatory plan to assure fair access to insurance requirements, and providing for an effective date and retroactive applicability.

<u>House File 680</u>, an Act relating to licenses for bait dealers by creating resident and nonresident wholesale bait dealer licenses, providing reciprocity, and providing an effective date.

<u>Senate File 94</u>, an Act providing for the confidentiality of certain veterans' records maintained by county recorders.

<u>Senate File 341</u>, an Act regulating the balance of competitive forces in swine and beef production by enhancing the welfare of the farming community and by preventing processors from gaining control of beef or swine production, providing for the transfer of provisions, making a penalty applicable, and providing for an effective date.

<u>Senate File 405</u>, an Act relating to the authority of a city to acquire equity interests in business entities for the purpose of participating in electric energy transmission service.

Also: the Governor announced that on May 12, 2003, he approved and transmitted to the Secretary of State the following bills:

<u>House File 558</u>, an Act authorizing the Department of Human Services to disclose information regarding the listing of an individual in the child or dependent abuse registry or the sex offender registry when it is necessary for the protection of a child or a dependent adult.

House File 565, an Act relating to the Healthy and Well Kids in Iowa program.

<u>House File 677</u>, an Act relating to new capital investment for businesses and new jobs by creating a new capital investment program, creating tax incentives, and amending the New Jobs and Income Program.

<u>Senate File 444</u>, an Act relating to the requirements for receiving a property tax exemption for open prairies and wildlife habitats and including an applicability date provision.

<u>Senate File 459</u>, an Act relating to Iowa agricultural industrial finance corporations, by providing for the assignment of an Iowa Agricultural Finance Loan, and providing an effective date.

Also: The Governor announced that on May 15, 2003, he approved and transmitted to the Secretary of State the following bills:

<u>House File 304</u>, an Act relating to the payment by a county of the agricultural land tax credit and reimbursement to the county of its payment and providing an effective date

<u>House File 492</u>, an Act relating to soil conservation by providing for the acquisition of land by soil and water conservation districts, and eliminating certain reporting requirements.

<u>House File 576</u>, an Act relating to the enterprise zone program and including effective date provisions.

<u>House File 665</u>, an Act relating to property taxation of certain lands leased to others by the Department of Corrections or Department of Human Services and providing for the Act's applicability.

<u>House File 676</u>, an Act establishing a veterans trust fund under the control of the Commission of Veterans Affairs and providing a contingent appropriation.

<u>Senate File 368</u>, an Act relating to advanced telecommunications services, including rate provisions.

Also: The Governor announced that on May 16, 2003, he approved and transmitted to the Secretary of State the following bills:

<u>House File 455</u>, an Act requiring licensed health-related professionals to report certain burn injuries to a law enforcement agency.

<u>House File 543</u>, an Act relating to minimum mammography examination coverage, and making related changes.

<u>House File 671</u>, an Act relating to the recycling property exemption from property tax and including an applicability date.

<u>Senate File 402</u>, an Act relating to sexual assault offenses by affecting the admissibility of prior criminal offenses into evidence in the prosecution of certain sexual offenses and by modifying the penalties for certain assaults.

<u>Senate File 441</u>, an Act relating to the transfer of certain property-related tax credits and including effective and retroactive applicability date provisions.

Also: The Governor announced that on May 21, 2003, he approved and transmitted to the Secretary of State the following bills:

<u>House File 225</u>, an Act modifying workers' compensation laws and providing an effective date.

<u>House File 386</u>, an Act relating to the Department of Elder Affairs including provisions relating to the Elder Iowans Act.

<u>House File 674</u>, an Act relating to income tax deductions and exemptions for military personnel and organizations, and including effective and applicability date provisions.

<u>House File 682</u>, an Act relating to wine by providing for native wine permits, providing wine gallonage tax revenue to support grape and wine development providing for fees, and providing an effective date and retroactive applicability.

<u>Senate File 393</u>, an Act relating to the Agricultural Development Authority by providing for its organization and administration.

<u>Senate File 396</u>, an Act providing for the animal unit capacity of fowl for purposes of regulating under the Animal Agriculture Compliance Act, and providing an effective date.

<u>Senate File 442</u>, an Act updating the Iowa Code references to the Internal Revenue Code, providing for decoupling with the Internal Revenue Code for a certain bonus depreciation provision, and providing retroactivity applicability dates and an effective date.

Also: the Governor announced that on May 23, 2003, he approved and transmitted to the Secretary of State the following bills:

<u>House File 534</u>, an Act providing for the reorganization of certain state departments by establishing a Department of Administrative Services, making related changes, providing penalties, and providing an effective date.

<u>House File 577</u>, an Act providing for a waiver of deadline requirements relating to whole-grade sharing agreements in specified school districts, and providing an effective date.

<u>House File 594</u>, an Act relating to the registration of electrical and mechanical amusement devices and the registration of manufacturers and distributors thereof, establishing fees, making an appropriation, making penalties applicable, and providing an effective date.

<u>House File 595</u>, an Act relating to certain voluntary annexations and to involuntary annexations and providing an effective date.

<u>House File 624</u>, an Act regulating farm deer, providing for penalties, and providing an effective date.

<u>House File 681</u>, an Act relating to tax credits and associated refunds for cooperatives engaged in the production of value-added agricultural products, and providing for its applicability.

House File 694, an Act relating to the judicial branch including by establishing a judicial district and judicial election district redistricting process, making changes to the nomination, appointment, and retention of judges, expanding magistrate courts, eliminating the position of alternate district associate judge, permitting district judgeships to be apportioned or transferred to another judicial district, requiring the county sheriff to serve a summons in certain delinquency proceedings, eliminating the participation of the Foster Care Review Board in voluntary foster care placements, waiving the filing fee and court costs in certain contempt actions, changing the duties of and the procedures related to the clerk of the district court, providing that interest on a judgment be calculated upon the one year treasury constant maturity plus two percent, expanding the access of the deferred judgment docket, prohibiting regional litigation centers, modifying the schedule of the probate court, providing for a fee, and providing for a study.

<u>Senate File 425</u>, an Act relating to and making appropriations involving state government, including provisions affecting agriculture and natural resources.

Senate File 435, an Act relating to and making appropriations to the judicial branch.

<u>Senate File 439</u>, an Act relating to and making appropriations to the justice system and providing an effective date.

<u>Senate File 451</u>, an Act providing for the jurisdiction and funding of roads by transferring funding for and jurisdiction of certain primary and farm-to-market roads,

modifying the procedure for classification of area service "C" roads, and establishing a street construction fund distribution advisory committee, and making appropriations.

#### **GOVERNOR'S ITEM VETO MESSAGE**

May 23, 2003

The Honorable Chester Culver Secretary of State State Capitol L O C A L

Dear Mr. Secretary:

I hereby transmit <u>House File 667</u>, an Act relating to and making appropriations for health and human services to the Department of Elder Affairs, the Iowa Department of Public Health, the Department of Inspections and Appeals, the Department of Human Services, and Commission of Veterans Affairs, and providing effective dates.

There were cooperative efforts to resolve issues in areas addressed by this bill that will allow Iowa to continue to provide services to children and families, even in these challenging times. The legislature was thoughtful and receptive and this bill reflects a very collaborative process between the stakeholders. Strong efforts were made to protect vulnerable Iowans; including seniors, the disabled, dependent children and families. This bill reflects joint efforts to address Medicaid and child welfare issues.

However, this bill continues to demand more services and reporting requirements at the same time funding levels have been reduced. With a goal of working to provide needed services and reducing process requirements, this bill has several provisions that I cannot support.

I am unable to approve the designated portions of Section 2, subsection 1. This section would require the Department of Health to produce a report of all the organizations that applied for substance abuse treatment funds, the amounts awarded, and the basis for refusal to award funds to any of the organizations that applied. In accordance with the Accountable Government Act all substance abuse treatment and prevention grants are awarded on a competitive basis. This item is an un-funded mandate that takes time away from customers and communities for unnecessary reporting.

I am unable to approve the item designated as Section 7, subsection 15, paragraph a through k in their entirety. This language creates a new Iowa marriage grant initiative. The language involved adds new bureaucratic rules and regulations that require extensive staff time that could otherwise be spent providing services to families. Furthermore, language already exists in statute for this program.

I am unable to approve the item designated as Section 11, subsection 8 in its entirety. This language directs the Department of Human Services to work with counties to implement services to people with chronic mental illness. This effort has already been accomplished and is, therefore, redundant.

I am unable to approve the item designated as Section 16, subsection 5 in its entirety. This language requires additional notice to legislators if additional federal

child-care funds are received. This is an unnecessary reporting requirement at a time when funding for staff have been reduced.

I am unable to approve the item designated as Section 16, subsection 7(b) and (c) in their entirety. This language directs the Department of Human Services to develop consumer information to assist parents in selecting a childcare provider. The department currently provides consumer information to customers and will continue to do so. Staff and funding of the department have been severely reduced leaving the department ill-equipped to provide the support necessary to complete this effort.

I am unable to approve the item designated as Section 18, subsection 12 in its entirety. This language requires the Department of Human Services and juvenile court officers to develop criteria for intensive tracking and supervision of delinquent youth. These criteria were developed three years ago in response to this language; thus, this language is no longer needed.

I am unable to approve the item designated as Section 18, subsection 21. This directs the Department of Human Services to develop a plan to privatize the administration of foster care and adoption programs. Given the fact that no additional funds were provided for this purpose, staffing has been severely reduced, and the child welfare redesign effort is included in Senate File 453, implementation of this section is counter-productive.

I am unable to approve the item designated as a portion of Section 28, subsection 2. This item requires the Department of Human Services to submit proposed legislation to correct Code references related to service areas. This appears to be the realm of the Legislative Service Bureau or Code Editor rather than the Department of Human Services, especially at a time when the Department's resources have been severely reduced.

I am unable to approve the item designated as Section 35. This language exempts the Department of Human Services from making payments to the Vehicle Dispatcher for fiscal year 2004. This would hamper the state's efforts to purchase vehicles when needed and at the best price.

I am unable to approve the item designated as Section 36, subsection 2, in its entirety. This language creates a new initiative on parental involvement. The language involved is very prescriptive, time intensive and can be accomplished without directing the effort.

For the above reasons, I respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in <a href="House File 667">House File 667</a> are hereby approved as of this date.

Sincerely, Thomas J. Vilsack Governor

# **COMMUNICATIONS RECEIVED**

The following communication was received and filed in the office of the Chief Clerk:

#### DEPARTMENT OF HUMAN SERVICES

Analysis report regarding the use of any excess payment allowance to nursing facilities, pursuant to Chapter 3 e, f, Code of Iowa.

#### CIVIL RIGHTS COMMISSION

Annual savings report on ICN usage for fiscal year 2002, pursuant to Chapter 7E.5(n), Code of Iowa.

### COMMITTEE TO NOTIFY THE GOVERNOR

Gipp of Winneshiek moved that a committee of two be appointed to notify the Governor that the House was ready to adjourn in accordance with <a href="Senate Concurrent Resolution 21">Senate Concurrent Resolution 21</a>, duly adopted.

The motion prevailed and the Speaker appointed as such committee Carroll of Poweshiek and Myers of Johnson.

# COMMITTEE TO NOTIFY THE SENATE

Gipp of Winneshiek moved that a committee of two be appointed to notify the Senate that the House was ready to adjourn in accordance with <u>Senate Concurrent Resolution 21</u>, duly adopted.

The motion prevailed and the Speaker appointed as such committee Elgin of Linn and Connors of Polk.

#### COMMITTEE FROM THE SENATE

The committee from the Senate appeared and notified the House that the Senate was ready to adjourn.

### REPORT OF THE COMMITTEE TO NOTIFY THE SENATE

The committee appointed to notify the Senate that the House was ready to adjourn returned and reported it had performed its duty.

### REPORT OF THE COMMITTEE TO NOTIFY THE GOVERNOR

The committee appointed to notify the Governor that the House

was ready to adjourn returned and reported it had performed its duty.

#### COMMUNICATION FROM THE GOVERNOR

May 1, 2003

The Honorable Mary Kramer President of the Senate State Capitol L O C A L

The Honorable Christopher Rants Speaker of the House State Capitol L O C A L

**Dear President Kramer and Speaker Rants:** 

Throughout our state's history, Iowans have valued education, hard work, self-reliance, community involvement, generosity to our neighbors, and responsible stewardship of the land, air, and water. Challenging times give us an opportunity to assess our values, and to make changes that will support those values.

This, the first session of the Eightieth General Assembly, gave us the opportunity to address these shared Iowa values. Even in these difficult economic times that have most states reeling from budget cuts and shortfalls, we have a unique opportunity to make the bold changes necessary to grow Iowa, preserve our values, and strengthen the quality of life that has long sustained our state.

Developing and drafting consensus language that creates the Iowa Values Fund has been a historic achievement accomplished by both the majority and minority members of the House of Representatives during the regular session. I look forward to working with the State Senate to act on the Iowa Values Fund.

Two pieces of significant legislation that were accomplished during the regular session were to lower the level of alcohol needed in a person's blood to be presumed drunk, from .10 to .08 BAC and the proposal to reorganize and streamline state government.

This was the third consecutive legislative session that I have called for a bill to lower the blood alcohol rate to .08. The tougher standard corresponds with a projected 10-16 lives saved in Iowa per year. This has always been an issue of safety.

I had called on the legislature to create the Department of Administrative Services (DAS) last session and am pleased that this session DAS was sent to me. DAS will streamline services, improve services to customers, enhance resource flexibility, and to save money.

I intend to continue to work with legislators to lay the foundation for a more prosperous future for our state. When the people of Iowa work together on a common goal, we can accomplish anything.

Sincerely, Thomas J. Vilsack Governor

# FINAL ADJOURNMENT

By virtue of <u>Senate Concurrent Resolution 21</u>, duly adopted, the day of May 1, 2003 having arrived, the Speaker of the House of Representatives declared the 2003 Regular Session of the Eightieth General Assembly adjourned sine die.